

TRANSCRIPT

STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

Inquiry into unconventional gas in Victoria

Hamilton — 23 September 2015

Members

Mr David Davis — Chair

Ms Samantha Dunn

Ms Harriet Shing — Deputy Chair

Mr Shaun Leane

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Mr Adem Somyurek

Mr Richard Dalla-Riva

Mr Daniel Young

Participating Members

Mr Jeff Bourman

Mr James Purcell

Ms Colleen Hartland

Mr Simon Ramsay

Staff

Secretary: Mr Keir Delaney

Research assistants: Ms Annemarie Burt and Ms Kim Martinow

Witnesses

Mr Malcolm Rowe (affirmed),

Mr Colin Frawley (affirmed),

Mr Michael Greenham (affirmed),

Ms Aggie Stevenson (affirmed), and

Mr Gary Everett (affirmed), Branxholme, Byaduk and Wallacedale farmers.

The CHAIR — These are further members of the Protect the West Alliance, or just you, Gary?

Mr EVERETT — All of us are farmers, we are all members of Protect the West Alliance and we are all members of gas field free groups. I can clarify that a little more either in my address now or in question time later on, because as communities many of us were first concerned as farmers for our communities and we formed groups, and Lock the Gate at the time was the only one that wanted to help us farmers. That is how we joined.

The CHAIR — Okay. If we can be succinct, we will move through very quickly and then we will ask some questions.

Mr EVERETT — Okay. Thank you. I am Gary Everett, a passionate and proud prime lamb producer and fourth-generation farmer at Drumborg between Portland and Mount Gambier, farming our family farm that was solid bush 63 years ago. Dad, like so many others in this new community, was a pioneer. You can buy land, you can buy a house, but you make it a farm, you make it a family home or a castle and people become a community, and Drumborg is a great community. We are fighting for our survival. We are communities with 29 gas field free groups in the south-west and 67 across Victoria, with an average of 95 per cent against this industry — and growing weekly, with tens of thousands of everyday people against this industry.

Some of us have become dismayed, hurt and angry and feel let down by people in government departments, politicians, directors of gas and energy companies and our own farming bodies — the VFF and the UDV — for saying that this industry can coexist with our farms. That is not true. It has taken considerable time away from our farms and our families and placed stress on marriages for many people to achieve change, to make people in power listen, but this has happened. We have seen a change in VFF policy, which we here initiated. We had government-community consultations last year around Victoria, and 85 per cent of people said no according to an interim report by Mick McGuire. We, too, at these parliamentary hearings are overwhelmingly saying no. The risks are too high for the short-term small economic return with long-term pain, like the DDT and asbestos industries. Let us not make the same mistake. Let us learn from history.

You are all well informed — I know that — and very knowledgeable by this time. You have heard so much information. This is your opportunity to restore trust and faith in our politicians and our political system, which I am very proud of, through moral and ethical accountability in all decisions made representing the communities that affect you and convincing your colleagues in both the lower and upper houses of the same. We need a total ban on all unconventional gas exploration and extraction in Victoria so we can have closure and be more productive in our lives. We do not want law-abiding citizens, especially 70 and 80-year-olds, being arrested for protecting our farms and our environment for future generations. Thank you.

The CHAIR — Thank you, Gary.

Mr FRAWLEY — My name is Colin Frawley. We run a profitable farming operation between Hamilton and Branxholme. We have cropping, wool production, mutton, prime lamb, some beef, and we also grow out dairy heifers, which we return to dairy farms, ready to calve — and we employ people all through the year. We have been farming in the area for well over 100 years. Our children will farm there; we hope our grandchildren will farm there. We see that the unconventional gas industry puts our farming operation at risk. In our particular situation, for our livestock we must have underground water. If that were to be contaminated or compromised, that totally compromises our business.

We see that the unconventional gas industry may be very profitable, but we as a farming community have to take on the risk that they bring with them — the risk of things going wrong. They will walk away in 15 or 20 years, but we will be here for the long term, paying our taxes, employing people and contributing to the community. That is a real risk to our business. We also see that we have the advantage at the moment of having a really clean, green image in our region, and we think that if industrial gas fields come into our region, that is immediately put at risk. We just think it is a marketing nightmare to promote your region if you have this overlay of a short-term unconventional gas industry.

I would just like to make one other point. There has been a lot of talk about the right of veto. We think the right of veto will not work. The aquifer does not stop at the boundary fence. It is a regional thing; it is a regional aquifer. So if somebody says yes and somebody else says no, it still contaminates the aquifer if something goes wrong. We do not see the right of veto as a solution.

That is pretty much all I want to say. I just want to say we have been farming for a long time, we contribute to the community, we make profits, we pay taxes and we will be here for a long time. So if an unconventional gas industry rolls in through our district, do not forget what you are putting at risk. That is the end of my presentation.

The CHAIR — Thank you, Colin.

Mr ROWE — My name is Malcolm Rowe. I am a prime lamb and premium beef farmer on 2500 hectares just south of Hamilton at North Byaduk. I am part of the North Byaduk community. I have a wife and three children. We have heard — and I am sure you have — comparisons with Queensland and the coal seam gas industry in Queensland, and maybe it is different to here in south-west Victoria. There are other differences between Queensland and here as well. In that Chinchilla/Roma area farmers would be lucky to carry one sheep per hectare. We carry the equivalent of 15 to 20 sheep per hectare. What I am trying to do is establish how different this area is to Queensland. In Queensland there might be an average farm size of 20 000 hectares; here we would have 20 farms in that area. So we have a social network that is fairly densely settled, and that is where Colin says the right of veto for 1 farmer to say no means that there are 15 farmers around him — —

Sorry, for 1 farmer to say yes, there are 15 farmers around him who may say no and who may be impacted by that 'yes'.

We are dependent on surface water where I farm, so we are not really interested in the aquifers so much; others are. To run these numbers of sheep — 15 to 20 sheep per hectare — we need to talk in terms of energy, megajoules of metabolisable energy. It is what we do. In order to maximise production, we know that a sheep requires 12 megajoules of metabolisable energy. If she is pregnant, she needs 18; if she has twins, she needs 22. At 30 days of lactation, after she has had her lamb, it is in excess of 30 megajoules of metabolisable energy that she requires to get through that production system. It does not happen by accident. We do not just let things happen; we manage that. For her to get 30 megajoules of metabolisable energy, she needs a paddock which has a minimum of 13 centimetres of grass, which might be the equivalent of 2500 kilograms of grass per hectare. What I am trying to establish here is that it is a science that we are involved in here; it does not happen by accident. To do that we have small paddocks, connected by laneways, and we shift animals around the farm regularly, sometimes every two days, in order to ensure that in front of those animals, whether they be sheep or cattle, there is sufficient grass for them to receive the energy intake that they require.

To do that and to get the markets that we want to maintain, we voluntarily subscribe to quality assurance programs in order that we can tick off all the good stuff that we do. We ensure that the drenches and the chemicals that we use are monitored — logged in, logged out. We ensure that they get the right dose rate at any one time. We ensure that there are no sharp projectiles or projections on cattle yards and things like that. An auditor comes in, sometimes annually, to ensure that our systems are up to scratch.

Our market: we have been providing cattle to a feedlotter in northern New South Wales for the last 25 years. He knows what we produce. He expects to get the same thing every year. He knows what he will get from us, and we know what he wants. He pays us a premium for that over and above the fellows around here — the cattle buyers here. We do not want to risk jeopardising that market. It is a significant market. He sends the end product into Europe and into Japan. He gets a premium for that, of course. So we are accredited to send cattle to Europe. The other quality assurance programs: there is a processor called JBS Swift. Once again, he has a quality assurance program to ensure that we are providing him with the stuff that he requires.

If, for example, an unconventional gas industry comes in and leaves stuff around and creates contamination in surface water supplies, we have to tick a box to say, 'We think these cattle are contaminated'. Who in his right mind is going to do that? Who in his right mind would want to do that? When I talk about these livestock rotations, imagine a coal seam gas industry established on our farm, where we have small paddocks with laneways, cattle movements happening, sheep movements happening every day or two, and then the whole scene of the gas industry coming in on top of that with vehicles and movements — all that sort of stuff. It will not work. It will not work on our farm.

The other thing is contamination. In that sort of quality assurance thing, we make a significant effort to manage biosecurity on our farm. We have a closed shop in terms of livestock coming in and going out. Any animal that comes in goes through a rigorous induction program to ensure that we do not import any diseases. Diseases can come in in a whole range of boots or tyre treads — those sorts of things — so if we had an intensive

unconventional gas industry operating here, coming from known infected places in the district, how do we manage that? How do we get compensated for stuff that has been brought onto our farms by others, which may not manifest itself in the first year or the second year, but it may manifest itself in the 5th or the 10th year? It is not going to work for us, and it is not going to work for a significant proportion of people in this area.

Finally — I will be very quick here — I will put another hat on — —

The CHAIR — Yes, because we have to be succinct. We have five more people.

Mr ROWE — Thank you. I just want to talk about, briefly, the region and the valuable environmental attributes on the south-west coast. We have a Ramsar listing — a potential Ramsar listing — for the Glenelg River; we have the Discovery Bay marine park. All of that is the result of water flowing off the Grampians through this agricultural area that we manage and then ending up down in that area. A lot of work has been done by the Landcare movement and others involved in the environmental movement to embrace and to fix up issues that are seriously deficient in their ability to maintain that native ecosystem. A lot of work has been done. To allow an industry to come in and upset that would be seriously wasteful in terms of the effort and the resources that have gone into that. Finally, there is the Great South West Walk and the tourism issues associated with that. Hundreds or thousands of people do that. They do not want to be doing it with a gasmask on.

Mr GREENHAM — Michael Greenham, a farmer at Dartmoor, representing 85 other farmers from our area. I was going to raise issues like the bushfire risk posed by the flare-off vents, how we are duded by electricity infrastructure and retailers on the size of our solar systems we can feed back into the grid and about how when I was cycling in Spain, Portugal and France this year I saw farms, villages — even dairy farms, for the mayor of Corangamite — powered by alternatives to fossil fuel energies. But I will not talk about those things. I was going to help you out with some information, after sitting here all day, on some of the things that have been said — add some information and maybe rebut some statements.

Rick Wilkinson, chief technical officer for APPEA, the peak exploration body, spoke to VFF members and other farmers at Warrnambool on 19 August this year. He said several things. There are 117 exploration bores in this area. Earlier on numbers were thrown around. He says 117. There has been no post-pressure testing data available that he gave us, no depths of those bores. They are just out there somewhere. They are not all nice and neat, and I think Wannon Water mentioned that.

The life of the resource, according to Rick Wilkinson, is as much as 15 years and as little as 5 years. Mecrus, which own the exploration licence over our farms at Dartmoor, said they have about a \$6 billion goldmine they are sitting on there. I have figures from Tourism Victoria and the department of agriculture that say that in one year, tourism in this south-west area would match that, and farming would match it over four years. Yet they have \$6 billion they want to spread out over 40 years. I think that is the nut of my submission. I believe that the ethos of the unconventional gas industry is the absolute antithesis of the ethos of family farming. That is, depleting a resource to nothing for personal gain at whatever social cost versus utilising and replenishing a resource at whatever personal cost for generational social gain. That is what family farming does. I believe unconventional gas goes nowhere near that. Thank you.

Ms STEVENSON — Lucky last. Thank you for the opportunity for us to present to you today too, we really appreciate it. I want to finish off by telling you a short story. There lived a little girl with her family on a beautiful farm. On this farm the little girl and her family were able to enjoy all the assumed benefits of growing up on a farm, these being to swim freely in the clean creek and dams, eat the clean, fresh meat and vegetables grown on the farm and, most importantly, breathe in the clean, fresh air. At the time the little girl and her family thought nothing of this. It was just the way things were.

The little girl grew up and was lucky enough to build a house on the family farm and have three beautiful children of her own. These children have the same benefits as their mum, but with one difference: someone is threatening to take away all these wonderful things. Not because they want it for themselves or can see the value of what the little girl grew up with; on the contrary, this someone is purely driven by greed. This someone does not understand that you cannot put a price on childhood memories, on being able to stand outside at night and only be able to hear the frogs and the crickets, on being able to see every star in the Milky Way. But more so, this someone does not seem to understand that you cannot put a price on human welfare. The little girl in this story is me. I am a mother, I am a wife, I am an ag scientist and I am a farmer. As I learnt more about the threat

facing my farm and my livelihood and all those surrounding me for hundreds of kilometres, I knew I had to do something.

While these licences have been hanging over us I have faced numerous tragedies at a personal level, the worst of these being the loss of both my parents. The legacy my parents left me was part of the family farm, the farm that my children are now enjoying. My family has cared for this land for decades, and the thought that a faceless corporation could destroy that is devastating for me and my family. The anxiety I have experienced over the last 18 months has been like nothing I have ever been through before. To think that that land that made my parents so proud could be taken away from us is unbearable. I have spent the last 18 months trying to work out how anyone can possibly think that they can walk onto someone else's land and say, 'There's gas here, we're going to drill for it. You need to sign this access agreement'. The feeling of landholders and citizens of being powerless to prevent the imposition of this industry is a telling psychological burden. People in agriculture have enough trouble coping with the usual pressures they face, and the added stress and anxiety caused by fighting this industry is taking its toll on the entire community.

I urge you, the environment and planning committee, to look around the room and reflect on everything that has been presented to you over the last few months and stand up for what is socially acceptable, for families over profits and for communities over multinational companies. You have heard evidence from experts who have told you the risks you see are real. More importantly, you have seen the human face of this issue, like me and the people before you today. This is our lives, this is our future, this is our children's future. The only thing these gas companies have done is unite the communities. We have come together over this issue like never before. I implore you, the committee, and the Victorian government to not be the villains in this story but to be the heroes, so we can all live happily ever after.

The CHAIR — Aggie, thank you. I am just conscious of the time here. We wanted a couple more people after this group of presenters. We are on a fixed time line to finish at 3 o'clock, so I am going to defer my question.

Mr LEANE — Just very quickly, if Colin wanted to unpack a bit more his concern. You have mentioned the marketing nightmare. The way the speakers were lined up, I think Malcolm actually probably gave a good example of why that is in his instance. But did you want to speak further to that?

Mr FRAWLEY — One of our neighbours exports food to Asia and in a conversation with them about their business they just made the point really strongly that the point of difference for Australian product is our image. If you compromise that, you lose that point of difference.

Mr EVERETT — Could I just make one comment on that. A neighbour of ours, next-door neighbour, wrote to the MLA, meat and livestock association, asking whose responsibility it was if there was contamination, like surface contamination or pasture contamination, from water coming up. Their response was that it is the owner's responsibility to keep their stock away from the bores, 'It's not the gas company's, it's not the government's, it's your responsibility', which I do not think is fair.

Mr DALLA-RIVA — The submissions are all diverse but pretty much similar to what we heard in Gippsland in terms of reputational risk. I think, Malcolm, you probably gave the most in-depth evidence that I have heard as to actually how it applies in real life. You have given some real examples. I am interested. Every time I buy some lamb in the supermarket in Melbourne I will know that it was kilojoules per sheep, 42 or whatever it was. That is fascinating, it is good. Anyway, there you go, you learn something new every day. Thank you for your presentation, and everyone. It was very touching.

Ms DUNN — Thank you, all of you, for your submissions. I just want to pick up on Aggie's submission, which really goes to the heart of the level of anxiety and I guess the psychological burden and its taking its toll, which you articulated very well, but my question is more for the panel of people here today — is that also your experience in your communities as well, in terms of that heightened sense of anxiety and actually having a detrimental effect on the fabric of your communities, and is it a shared experience?

Mr EVERETT — Yes, definitely. I know many people here in this room put a lot of effort in last year. My wife said I spent too much time on it and was not productive enough on the farm at times. It was good though. As we pointed out before, it has brought the community really together on this, and that is one plus, if there is a plus. We have become much more united, and we have great communities, and other people have stepped up. I

have stepped back a little bit, and others have stepped up and, as I mentioned, more of these communities are forming groups under the gas field-free banner, with the help of Lock the Gate, and more people are wanting to protect their communities.

Mr ROWE — Running the operation as I do does not leave you much time at the end of the day to do other things. Gas has been night-time work. I have youngish children, and they say, ‘What are you doing today, Dad?’ I say, ‘It’s another gas meeting’. ‘Ah’, they say. If there is one thing I would like from this — it has been hugely distracting for me in my work; I have a couple of young dogs that need training and I have not been able to spend time on them — I think all of us would like from this, I speak collectively, would be for this distraction to stop. One thing we do not want to be is back here in five years time going through it all again. It is just so exhausting.

Mr RAMSAY — Thanks, Malcolm. That actually leads me into a question I was going to ask now. There is a point of difference between you as farmers in south-west Victoria and the Victorian Farmers Federation — there was very robust discussion, I understand, through the compilation of their motion. They came to the position of a five-year moratorium with a right of veto. Your position is distinctly different in that you are banning gas fields in Victoria. No doubt the argument was expressed similarly in relation to all the issues you have raised, and I particularly liked Aggie’s poem, if you like. I am sure that will get a run elsewhere. Could you just tell me why there was a point of difference — why you have probably gone to a much more extreme position than the Victorian Farmers Federation, which supposedly represents farmers generally across Victoria?

Mr ROWE — Certainly. I really dislike the word ‘ban’. I have not used it, and I will not use it. What I believe is that why we suggested a five-year moratorium, and we put that to the VFF, was because that would give time for other things to happen. It would give time for information to be gained in terms of managing and regulating an industry if one were to develop. It would give time for other renewable energy advances to manifest themselves at about the same time, I think. What is the name of the battery company? Tesla? That is the one. Thank you very much. It is doing wonderful things with batteries, which can then allow your photovoltaic cells to provide you with night-time power. Five years, I reckon, is going to be a game changer in renewable energy. I am sure it is going to be, and I think, as was mentioned earlier by the alliance, we are in a transition period. If we can utilise the conventional gas we have, wean ourselves off it and get into a seriously sustainable renewable energy option, then gas is going to get left behind, and we will not need a ban.

Mr RAMSAY — But your position is ‘ban’, is it not? I thought you said your position is banning.

Mr ROWE — My position personally is not a ban.

Mr FRAWLEY — And it is not mine either.

Mr RAMSAY — Okay. I thought you were all collectively — sorry, Chair, I know you do not want to open up that discussion, but I need to be clear about it. The alliance group told us they wanted to ban.

Mr ROWE — I see a person who bans something as just stamping their foot and denying everything.

Mr RAMSAY — Okay, so you are in support of the moratorium as per the VFF’s position —

Mr FRAWLEY — Yes.

Mr ROWE — A moratorium we would sign.

Mr RAMSAY — but not the right of veto?

Mr GREENHAM — These two guys do not want to use the word ‘ban’ because of connotations associated with it. I am happy to use it. They want a long-term, unconditional moratorium. Would that be correct?

Mr ROWE — Certainly.

Mr GREENHAM — Only because ‘ban’ has that sense of, you know, ‘ban this’, ‘ban that’. I just wanted to raise one thing that perhaps you might want to follow up with Rick Wilkinson, talking of conventional gas and unconventional gas, as we did before. Rick Wilkinson said that APPEA have found — they believe — that

drilling for conventional gas in Victoria onshore is a waste of time. It is too many pinpricks for too small a bubble.

The CHAIR — Others have said differently. I want to thank the five of you for presenting. It has been very good evidence, and we may well follow up with both this group and the previous group as we go forward. Thank you.

Witnesses withdrew.