



WAFARMERS

Submission to:

**Scientific Inquiry into Hydraulic Fracture Stimulation
in Western Australia**

Prepared by: Grady Powell & Shannen Barrett
Organisation: Western Australian Farmers Federation
President: Tony York
Postal Address: PO Box 556
Belmont WA 6984
Phone: (08) 9486 2100
Contact name: Grady Powell
Title: Executive Officer
Email: reception@wafarmers.org.au

Executive Summary

- Consistent View from Organisation since last review 2015
- Right of Veto for owner of private property
- WAFarmers with APPEA and other industry bodies created land access template - 2015
- Consultation led to membership understanding that all necessary steps are taken to protect water resources under legislation
- Good communication key for understanding processes, comfort of activity and trust between parties
- More stakeholder engagement required especially around farm biosecurity and entry requirements
- Awaiting research outcomes on potential effects on end product of farmers
- Concerns about evaporation ponds open to wildlife and livestock

Introduction

WAFarmers represents a large membership comprising of apiarists, livestock producers, dairy farmers and grain growers. These farmers are the custodians of 48 per cent of the Western Australia's landmass. Additionally, with 557 pastoral leases existing in WA, covering 90 million hectares equating to 36 percent of Western Australia's landmass it is critical that the opinion of primary producers is strongly considered throughout this submission period and throughout the decision making process. WAFarmers welcomes the opportunity to provide a submission into the *Scientific Inquiry into Hydraulic Fracture Stimulation in Western Australia*, and look forward to our continued involvement.

Primary producers rely on the natural environment to sustain their businesses and livelihood. It is producer's close attachment to the land that outlines the importance of WAFarmers' submission into this particular inquiry. WAFarmers' policy in respect to hydraulic fracturing has remained consistent since the previous Legislative Council review in 2015. The membership is of the opinion that the property owner should have the right to say what occurs on his or her land. WAFarmers has previously called for the gas and petroleum legislation to be amended to allow a right of veto. This would mirror land owners rights to veto that currently sits within the mineral exploration legislation (*Mining Act 1978*).

WAFarmers represent members who predominantly operate on freehold land; it is for this reason why WAFarmers advocates for farmer choice. It is best left to individual property owners to decide what occurs on their land. There have been instances where agriculture and resources company co-existing well together, with the resources company investing in on-farm infrastructure. Of course, there are also examples where resource companies employ bullying tactics to gain entry, or may not behave in a collaborative manner once they have gained entry. WAFarmers advocates for a process to be put in place that informs all parties of their rights, entitlements, privileges and responsibilities when discussing land access arrangements.

In 2015 WAFarmers worked alongside other industry bodies Pastoral and Graziers Association, VegetablesWA and Australian Petroleum Production Exploration Association (APPEA) in the creation of a land access template. With the assistance of legal counsel, the participating organisations managed to create a template that could be used by a landowner to negotiate land access terms and conditions with an exploration company wanting access. The template allows there to be transparent communication

between both parties. WAFarmers believes this is a useful tool for landowners and exploration permit holders. WAFarmers believes the template should be endorsed and its use encouraged as this will go some way in streamlining the land access process. Furthermore, extensive use of the template will assist in minimising conflict resolution, or assist in the mediation process should a conflict arise.

The Land Access Template developed with these other industry in bodies is in line with APPEA's Code of Practice for Hydraulic Fracturing, which gives examples of how companies can work with landholders accordingly.

The membership within WAFarmers has raised concerns about damage to underground aquifers and water supply. Water quality is essential to many agricultural businesses for production, but also as these are areas where the family unit resides. After consultation with the appropriate departmental staff, the membership does recognise that all necessary steps are taken to protect waterways and other natural environment within the legislation (*Petroleum and Geothermal Energy Resources Act 1967*). Additionally, we see the release of all chemicals used during hydraulic fracturing by way of a public register as a positive measure.

It is also recognised that due to the soil composition in Western Australia, that tight shale is the most common type of unconventional gas exploration and extraction. This type of fracturing occurs deep into the soil strata, which does provide a natural buffer between the fracturing site (approx. 3000m) and the aquifer which is often surface water. Other measures are regulated to ensure the safety of water resources, and these are outlined in section 7.1 of the discussion paper. All steps taken by way of well casings and cement being used to ensure a seal is maintained between the drill site and the natural environment. While it is realised that all mechanical and operation measures are taken to minimise risk, fracturing or any other natural resource exploration can never be 100 per cent risk free.

A common concern that has been identified is the publication of information released by the Department of Mines, Industry Regulation and Safety. The legislation does prescribe that a resources entity must submit plans to the department outlining its intentions during the exploration, production and conclusion phases of the project, as well as regular reporting throughout. WAFarmers has identified that this information assists the public in garnering a greater sense of comfort as it allows the public to be aware of the project and its intricacies and by having the sense of suspicion removed the project has a greater chance of achieving a social licence for the life of the project.

Good communication and trust-building is essential for agriculture and petroleum sector to co-exist. There does tend to be a lot of contention surrounding hydraulic fracturing as the tight shale is often compared with Coal Seam Gas that exists in Queensland, and to a greater extent in United States. With the broad range of information available on the internet, documentaries, mockumentaries and so forth, it is critical that the correct information is available to the public that cuts through the emotion and misinformation of the subject matter.

WAFarmers is of the opinion there is a need for more engagement with stakeholders; affected landholders, traditional owners, government representatives and community members to ensure correct information is disseminated to the community to help make informed judgement of the impacts of hydraulic fracturing.

Further, the regional information workshops undertaken by the department have been welcomed and appreciated by those living in areas impacted by the potential of hydraulic fracturing in their districts. These workshops have assisted in dispelling myths and misinformation and going some way of providing facts directly to the community. WAFarmers strongly supports any initiative undertaken that assists farmers

in making an informed decision on what may occur on their properties.

Impacts on agriculture

WAFarmers will always support our members and the wider industry's right to farm. Families have purchased the property that is zoned as rural or agricultural for the purpose of undertaking agricultural practices. Agriculture is the fastest growing industry in Australia and is aspiring to become a \$100 billion sector; this initiative should be supported from across all government department and sectors.

Agriculture encounters regulation throughout all aspects of the business, with biosecurity becoming more critical to producers and increasingly regulated by government. Western Australia has rigorous biosecurity measures, which often require producers to keep a register of who comes on and off farm. These biosecurity plans and measures are what give WA agriculture a competitive edge when competing in a global market.

Having increased vehicle and personnel movements' on-farm can lead to more administrative measures having to be undertaken by the farmer. This does take him or her away from their core duties which can lead to a loss of productivity.

There has been some discussion surrounding the impact hydraulic fracturing may have on the end product that farmers produce. The WAFarmers membership is very interested to see more research undertaken to ascertain the potential of chemicals being drawn by pasture or crops and having a presence in the final meat or grain product.

WAFarmers has identified the impact evaporation ponds have on the natural environment. Having open evaporation ponds on the farm opens scope for wildlife to come into contact with chemicals and die either in situ or other areas on the farm. This can have impact on farm biosecurity as well as other livestock or wildlife on the property.

Conclusion

The current WA laws prohibit farmer's abilities to have a right of veto to prevent unwanted gas exploration on their land. WAFarmers would like to see the *Petroleum and Geothermal Energy Recourses Act 1967* amended to be in line with the *Mining Act 1978* to allow WA farmers the right to veto and have the last say on what occurs on their property.

The current legislative processes for exploration and mining activities ensure that all activities are approved to determine the threat to the environment and local ecosystems. The activities are then able to be approved by the Department of Mining and Petroleum to begin exploration, therefore with these rigorous legislative processes in place, WAFarmers supports exploration activities on agricultural land and the right of the landholder to choose.

Organisational Background

The Western Australian Farmers Federation (Inc.) (WAFarmers) is the state's largest and most influential rural advocacy and service organisation. WAFarmers boasts a membership of over 3,500 primary production businesses and individual farmers including grain growers, meat and wool producers, horticulturalists, dairy farmers, commercial egg producers and beekeepers. Collectively our members are major contributors to the \$7.5 billion gross value of production that agriculture in its various forms contributes annually to Western Australia's economy. Additionally, through differing forms of land tenure, our members own, control and capably manage many millions of hectares of the state's land mass and as such are responsible for maintaining the productive capacity and environmental wellbeing of that land and the animals that graze it.

WAFarmers is also a proud member of the National Farmers' Federation (NFF), ensuring that the voice of WA farmers is heard at the national level. The NFF is the peak national body representing farmers and, more broadly, agriculture across Australia. It is one of Australia's foremost and respected advocacy organisations, proactively representing farm interests and asserting policy positions to governments and the broader community.

Statistics on Western Australian Agriculture

Australian agriculture makes an important contribution to Australia's social, economic and environmental fabric.

Social

There are approximately 8,400 farm businesses in Western Australia, which is nearly 9.8 per cent of all the farm businesses in Australia.

Economic

The gross value of Western Australian farm production in 2015-16 was \$8.2 billion, which was 15 per cent of the total gross value of agricultural production in Australia (\$56 billion).

Western Australian agricultural industries are highly export oriented, accounting for over \$7.6 billion in exports in 2015-16. Western Australia contributed to 16 per cent of Australians overall agrifood exports over 2015-16.

Workplace

The Western Australia agrifood sector is a significant source of employment, providing jobs for 183 600 people in 2015-16, and continues to be the lifeblood of rural and regional communities. Australia wide, the farm sector employs 304,200 people, and across the entire supply chain, agriculture powers 1.6 million jobs.

Environmental

Western Australian farmers are environmental stewards, owning, managing and caring for 48 per cent of Western Australia's land mass.

Australian wide, farmers are at the frontline of delivering environmental outcomes on behalf of the Australian community, with 6.8 million hectares of agricultural land set aside by Australian farmers purely for conservation/protection purposes.