

Submission to Parliament of Victoria the Inquiry into Unconventional Gas in Victoria

In 2014 information sessions were held in Victoria that in my opinion were intended to put some sort of positive spin on coal seam gas mining. I came away from the session I attended with the view that the communication process was flawed because only limited information was presented about existing licences and no real information was presented about the extent to which large areas of Victoria may be subjected to coal-seam gas mining if the moratorium is lifted. There was no information provided that made me feel in any way comfortable about the moratorium being lifted.

I have reached this view because there is so much evidence of the sad and sorry experiences of many communities throughout the world where coal-seam gas mining has been allowed. Coal-seam gas mining puts communities at risk from leakage of methane and other toxic materials, requires forests and grasslands to be bulldozed, destroys natural environments, has the potential to contaminate our fresh water aquifers from chemical residues from the fracking process, and increases salinity in our water supplies. Cumulatively these problems have the potential to impact negatively on the health and wellbeing of individuals, businesses & communities, do irreparable damage to the natural environment, decrease or destroy agricultural productivity, reduce the resilience of rural communities and cause years of anger, frustration and heart ache to the communities that have coal-seam gas mining imposed on them against their will.

Equally important it is worth noting that the lifting of the moratorium and allowing coal seam gas mining would only bring short term limited economic gain to communities. Evidence of this is what has happened in Queensland with regards to coal-seam gas mining. While there was brief surge in business investment and employment during the start-up phase of coal-seam gas mining the longer term benefits to communities have been minimal and many businesses ended up laying off staff and experienced significant losses as a result of having to auction off expensive specialised equipment that had no ongoing use past the coal-seam gas mining start-up phase. To make matters worse for rural communities the coal-seam gas production won't make gas freely available to rural communities from where it is extracted or lower gas prices for rural communities because gas prices to consumers is unregulated and the gas extracted will simply be exported overseas with huge profits going to large multinationals.

Then there is the issue of remediation of old mines. In 2012, the NSW Auditor General stated that "derelict mines may represent the largest category of contamination liability for the state" and that the "derelict mines program has many thousands of hectares of degraded and contaminated land where mining companies abandoned mines without remediation of the sites." Similarly according to the Queensland Commission of Audit it is estimated that Queensland has approximately 15,000

abandoned mines that amount to a \$1billion liability to the state. That is a liability that tax payers will have to bear not the mining companies that made the profits and left the mess. While some advocates of the coal seam gas mining sector may attempt to talk up the sectors environmental credentials the fact is that the federal and state governments are yet to formally recognize and implement the national abandoned mine policy. Without recognition and implementation of the policy it is unlikely that the states will be able to enforce remediation or will mining companies see remediation of mines a priority. That being the case it is obvious that any short term economic benefits of coal-seam gas mining may be totally eroded in the future by the absence of any long term commitment to environmental remediation by foreign owned coal-seam gas mining companies.

Given the mining industries reputation of not paying the full costs for environmental damage by way of remediation, the environmental risks, the negative social implications and lack of long term social and economic benefits I implore the the Parliament of Victoria to keep the moratorium on coal-seam gas mining in place indefinitely.

Thank you for considering my point of view.

Neil Phillips

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