

TRANSCRIPT

STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

Inquiry into unconventional gas in Victoria

Torquay — 12 August 2015

Members

Mr David Davis — Chair

Ms Samantha Dunn

Ms Harriet Shing — Deputy Chair

Mr Shaun Leane

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Witnesses

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Cr Margot Smith (affirmed), Mayor,

Ms Kate Sullivan (affirmed), General Manager, Environment and Development, and

Mr Rowan Mackenzie (affirmed), Manager, Environment and Community Safety, Surf Coast Shire Council;
and

Cr Brian Crook (affirmed), Deputy Mayor, and

Mr Stewart Anderson (affirmed), Manager, Environment and Community Safety, Colac Otway Shire Council.

The CHAIR — I indicate that this is the inquiry into unconventional gas, and the evidence we will hear now relates to that inquiry. Evidence that is given to the committee is protected by parliamentary privilege. If you speak outside the committee, you may not be protected by parliamentary privilege. We will move to short presentations, and I am conscious that we are a little bit behind time, but I note the quality of the presentations we had on rate capping. If I can just ask for some short presentations, perhaps starting with Margot.

Cr SMITH — I omitted to welcome you before, and I would like to welcome you and thank you for coming down to the Surf Coast and taking advantage of our chambers. We do appreciate this opportunity to present our views on unconventional gas to the inquiry. Just to let you know that under the Surf Coast there is one existing exploration permit for unconventional gas, and that is PEP 163, and that is due to expire on 18 October this year.

We do actually have very strong community concerns expressed and some of our areas in our shire have declared themselves frack or gas-free, and we have had forums that have been very well attended too. Council has made resolutions in relation to our views, firstly, supporting the moratorium, secondly, making some issues in relation to what we thought should be in the moratorium, and now for this inquiry too. We do not believe onshore unconventional gas should go ahead.

Visual presentation.

Cr SMITH — You would know a little bit about our shire. I would say to you that we have nine distinct townships within our area, and we probably would say that we divide ourselves between the hinterland area and the coastal area. We have around 3000 businesses that have about \$1 billion annually contributing towards our economy, and these businesses are niche, surfing businesses, tourism and a lot of it is nature-based activities, relying on a good environment. Sustainable agriculture and tourism pursuits in the hinterland are really growing. It is an area that we feel is actually going to be something that underpins our growth in the shire in the future, so it is not just going to be growth along the coastal areas.

We are famous for our natural landscape. We are famous for the beaches, the national parks and the scenic hinterland. We attract around 2 million visitors that spend over half-a-billion dollars in our shire each year. Our concerns in relation to this fall into categories of economic, environmental, health and social impacts. I would just start, firstly, with those economic concerns. As I said before, it is around niche businesses that we have: accommodation, food tourism, sustainable agriculture and broad-hectare farming. They play an important and prominent role in our economy, as well as that surfing culture that is along the coastline. As I said, we have recognised natural assets, not just along the coast with Bells Beach and the Great Ocean Road, but also into the Great Otway National Park and the farming areas beyond it.

We have in our plans recognised that to sustain the population in our area we need to ensure that we have another 3000 jobs in our shire by 2031 and we really think that the growth in the hinterland area is going to be a significant factor in that. That means that we have to have a really good, strong natural area for agriculture and for the food agribusinesses that are starting and being very successful around the areas of Winchelsea, Moriac and the like.

We have the hinterland which is a key economic pillar and this will be the foundation for us. It is not compatible with large extractive industries such as unconventional gas. We would say further in relation to this that that type of industry places at risk thousands of jobs that we already have here that are generated through surfing, tourism and the rural hinterland sectors.

From an environmental perspective we do not believe there has been adequate independent assessments of the key potential adverse environmental impacts that could come from unconventional gas exploration. We believe there is potential and strong indications of impacts on the extraction of water and the impact on our aquifers and there is potentially a major risk of contamination of groundwater. The management of the wastewater that comes from this industry is also an issue, as is the loss of access to groundwater by other users.

We also have particular concern around hydraulic fracking because of the use of toxic chemicals, the issue around spills, contamination of land and water and potential impacts on land, including subsidence and any other seismic activities.

Another critical thing for our smaller communities is the health and social impact. We know there has been a CSIRO investigation that raised issues around the demands of social and natural resources and the challenges to communities around their way of life and the changes that it brings. We do know that they have identified that there are negative impacts and positive impacts and that those negative impacts are generally accrued around the smaller communities and the positive impacts are accrued at a state and a national level. We feel that the costs of those negative things will be borne by our local communities in relation to this industry. There are also local amenity and quality-of-life impacts that will come from this large-scale mining development.

We do not believe the regulatory framework adequately covers the protection of the natural environment. It does not protect the local communities. It certainly does not protect the rural industries, nor does it protect the private owners of property. We have five communities that have declared their opposition to unconventional gas; they have declared themselves frack free. They are Deans Marsh, Bambra, Moriac, Mount Moriac and Paraparap. As I said before, we have had public forums and we would have to say that our communities are very concerned. They strongly believe, along with the council, that this activity will undermine our clean and natural image, which is what we have based our local economy on.

To wrap up in terms of council's position, as I said before, we already indicated back in 2014 that we believed the moratorium should not be lifted. We oppose the exploration and mining of unconventional gas completely. We passed a resolution in June 2015 and in addition to passing that resolution we sought support from the Victorian and federal governments for the development of renewable energy projects in the shire, including community renewable energy. We strongly oppose renewal of the exploration permit, which I outlined before as part of our resolution. That really sums up where the Surf Coast Shire and community and council is in relation to this issue.

The CHAIR — Thank you. I ask Brian Crook of Colac Otway Shire Council to speak, briefly.

Cr CROOK — First of all I would like to share with you our official resolution on this. One, the council writes to the Victorian government advising that Colac Otway shire supports an extension of the moratorium on unconventional natural gas extraction until such time as the environmental, social and economic issues raised by the community can be effectively addressed; two, writes to the Victorian and federal governments requesting support for the development of renewable energy sources to replace fossil fuels in the provision of heating, cooling and power; three, approaches the Municipal Association of Victoria to determine its interest in leading a collaborative advocacy approach on this issue across the local government sector; four, drafts a motion consistent with recommendations 1 to 3, and that this motion be forwarded to the next MAV state council meeting for consideration; and five, forwards this report and recommendations to each member council of G21 and Great South Coast regions and urges them to also consider advocacy on this issue.

That is council's official position on this. To expand on that a little, I guess the first question to ask is why, and we should all be asking ourselves that question. Why are we entertaining reliance on a risky form of fossil fuel-based mining when there is no demonstrated need — it is an export industry, it seems — at the risk of our triple bottom line. I am not sure if any of you saw the 7.30 report on Monday night — I imagine many of you would have — concerning the Linc project in Queensland, where an unconventional form of gas extraction has led to contamination of water and acidification of soil — an irreversible effect on a very substantial area, rendering it relatively useless into the future. Does the means justify the risk or the potential benefit? I am led to believe the product of this form of mining will last us 10 to 15 years. I pose the question, again, short-term gain for long-term pain in our communities potentially.

In 2008 hardwood logging shut down in the Otways. The government of the day said that the Otways would see new ecotourism and nature-based tourism industries and that there would be retraining for people to take part in the new focus for the Otways. Now we see Forrest as virtually the mountain biking capital of Victoria. We see mini-breweries, berry farms, rail trails, wineries and cottage industries, and this all sits beside our traditional agricultural pursuits of dairying, beef, cropping and softwood timber.

Then there is the natural beauty of our Otway Ranges — —

Hearing suspended 12.44 p.m. until 12.53 p.m. due to technical problems.

The CHAIR — I apologise to Brian for the interruption.

Cr CROOK — I will start with the Deans Marsh public meeting. There was an amazing turnout of the local community to hear from a mining company which was proposing an exploratory coal mining licence. At the conclusion of this meeting the mining rep, and I am being reminded that Mantle Mining was the name of the company, withdrew his company's intent and in doing so indicated to the assembled audience that the coal in this region was a dubious commodity in terms of commercial return.

This has been supported in the conclusion reached in the regional hydrogeological characterisation studies into the Otway Basin. The Otways do not rank highly for areas likely to be developed in the future for unconventional gas. That was a federal government initiative. This finding seems to support the miner's explanation at Deans Marsh back in 2009, so I pose the question again: why? Why would we venture down this path for short-term gain, no doubt, and income streams for government, no doubt? The risk, I think, far outweighs the return, as we have seen in recent times in Queensland.

I want to touch on water security for just a moment. At the end of the recent 10-year drought, Barwon Water were relying on the Barwon Downs aquifer, especially in our shire, to supply Geelong's water needs. The subsequent health of the aquifer was questioned, and Barwon Water did not pump out of that aquifer for at least three years after the drought had finished to allow it time to fully recharge. Imagine the population growth predicted for the Geelong region along with a heavily water-dependent, risky coal seam gas industry, which no-one here needs or wants. Indeed, why are we here?

There is no social licence for it. The economic benefit is relatively short term when you consider that these industries have a 10 to 15-year life span. Environmentally I think there is far too much for us to lose as a community to entertain this short-term gain. I think if our efforts and energies were placed into looking at renewable energy and the opportunities there, supporting the science and supporting the investigations into what could be, then that would be a far better use of our time, money and resources.

Finally, I would like to just recommend the documentary *Frackman*. I am not sure if anyone on the committee has seen that. There is certainly good food for thought arising out of that documentary. I thank you for the opportunity of presenting today.

The CHAIR — I thank both municipalities for their presentations. I have some questions principally around one issue. Mayor Smith, you might, with the help of whichever bureaucrats you need, respond to this. This is the exploration permit PEP 163 which, as you have indicated, is due to expire on 18 October. Could you outline for me where that is, the nature of that permit and what the council's specific view is on that permit? You may not be able to answer this in full just now. I am very happy to have that come in detail on notice.

Ms SHING — If you could just read the title of the document into the record so that Hansard can include it in the transcript.

Cr SMITH — This document is 'PEP 163', and it covers the permit area. It is called the permit area document, and it is a state government document. That permit was first granted in 2002. It has had transfer of authority, and there have been works suspended and extended over a considerable period of time. I can provide you with this; this is the Register Contents of the petroleum exploration permit. There has been limited activity around it, I think that would be fair to say, wouldn't it?

Mr MACKENZIE — Yes.

Cr SMITH — There has been some, but not — —

The CHAIR — When you say limited activity, I am just trying to understand.

Cr SMITH — I think they did some drilling at one stage. They have done some drilling and some surveying work, but they suspended activities around the time when the moratorium was first there.

The CHAIR — Okay. I am thankful. It is an area that, if I can define it — —

Cr SMITH — It is that whole blue area.

The CHAIR — We do not have it up there, so I will try to describe it briefly. It runs along the coast between just south of Anglesea and up to a little way north of Torquay, and then up in an arc that runs south of

Grovedale and around Grovedale. It crosses Waurn Ponds across the north, almost up to Newtown, then down — I cannot give you an exact description town-wise in the north-west corner —

Cr SMITH — That would be through Barrabool Hills up the top.

The CHAIR — Barrabool Hills, thank you. It then runs a little bit to the east of Wensleydale and then does another dogleg down to the coast again. That will give you the rough area.

Cr SMITH — Yes.

The CHAIR — What would be helpful for the committee is to understand what exploration and activities have occurred since 2002 and for us to understand what is active now, if anything.

Cr SMITH — There is limited activity now, but we will submit to you information that we have around the activity that has been there.

The CHAIR — Thank you.

Ms SHING — Thank you, everybody, for your presentations and for the clarity with which you have expressed your positions. As you would all be aware, this is an issue which people feel very ardently about. To that end it is very good to have accurate information about where you stand on the issues. I note, Cr Crook, that you have referred to the motion by the Colac Otway Shire Council that indicates — and I took notes, but forgive me if I am misrepresenting you — that there should not be any further action until such time as environmental, social and community issues can be effectively addressed. In addition to that I note from the Surf Coast Shire presentation that the council position slide indicates at a second dot point that until the impacts are fully understood and can be managed, the state government should not be authorising unconventional gas development.

Cr SMITH — If I can just clarify that: in our latest resolution we opposed the exploration and mining of unconventional gas within the shire.

Ms SHING — Okay, so that is an outright opposition?

Cr SMITH — That is an outright opposition.

Ms SHING — Thank you, then, very much for that, Councillor. What that does is confine my question then to the Colac Otway Shire councillor. Cr Crook, you are now the focus of my attention for the purposes of my question. I am keen to understand what constitutes an effective address of the environmental, social and community issues. Is there, in other words, a point at which effective management might allow, in the council's estimation, any sort of exploration or mining to go ahead in the terms that are currently contemplated by this particular committee?

Cr CROOK — Do you mean in terms of unconventional gas?

Ms SHING — Yes. Correct. What is effective for those purposes?

Cr CROOK — Obviously I am talking from a council resolution today, so it is not really good protocol for me to be venturing too far away from that, but I know the feeling amongst councillors, and I think that this resolution of council has only been supported, if you like, in terms of our guardedness, by recent events. I refer you to the 7.30 report of Monday night and other examples where unconventional methods have been seen to be a risk that is just too great. The consequences of that are irreversible, and I think it is a pretty hard thing to define at what point. Obviously there would have to be a hell of a lot more community consultation and a lot of, I guess, how you are going to win over the assurance of the community. Good luck.

Ms SHING — That is, I suppose, the nub of what I am getting at here. What does 'until such time' mean? That is something you might want to consider.

Cr CROOK — It is not helped by the fact that we keep finding out about these situations that go wrong. Again, I keep coming back to the question that many people ask, which is, 'Why are we doing this? Who for?'

In the time we have now with natural gas at our disposal, and obviously it is a number of years off in terms of the supply, surely we have that time to transition to more —

Mr ANDERSON — Renewable.

Cr CROOK — renewable sources of energy, and to do the research, to fund it and to support it.

Ms SHING — Thank you very much for that answer.

Ms BATH — Thank you, everyone, for this morning's effort. My question relates, firstly, to you, Cr Crook, but in general. In your submission you said that you want to encourage renewable energy and alternative energies, so I guess my question is: what are you and the Surf Coast shire doing with respect to encouraging those developments or encouraging alternative energy sources on the coast, and also what are they at the moment? What are we doing at the moment? What exists?

Cr SMITH — We have quite a lot of solar activity going on along the coast, and most recently we have secured grants in relation to the solar towns. We also have community energy groups that are actually looking at options for community solar and community energy projects. Perhaps you can cover the activity that SCEG have been doing, or the plans.

Mr BAILLIE — I could. There is an active initiative within our shire, building on some success in Geelong, where crowd-funded donation programs are being used to pull together what they call community solar initiatives to put solar facilities on public buildings, such as schools and the like. There is a great example at Geelong South, where the only commitment the school has to make is to put the savings back into a good community purpose. For Surf Coast, we are seeking to foster the launch of that initiative in our shire. More specifically for the council organisation itself, we see it as a role model. In 2012 council set an emissions reduction target for its own operations, which was a 30 per cent reduction in emissions from the 2010 level, and that would be achieved by 2020. We believe we are at 28.7 per cent at the moment, so we are going to beat that target by five years.

Council is in the process now of considering the next target that we might set both on emissions reduction and renewable energy in our municipality. In preparing that report for council we are desperately trying to pull together all of the different movements in these targets, both federally and at the state level, so that our shire can hopefully set its own targets and make sure we are pulling our weight in that regard.

Cr CROOK — We have embarked on some initiatives, and I will hand over to Stewart Anderson to comment on those.

Mr ANDERSON — Similar to Surf Coast, a lot of our efforts are in how we demonstrate to the community our commitment to it. We have set a carbon neutral target for the council, and in order to implement that we have done a large number of energy-saving initiatives. The big ones include a 100-kilowatt solar array on top of the COPACC facility in Colac.

We have also embarked on a transition of all of our streetlights to LED, and that has had a huge impact on our carbon footprint, so that is significant. We have also done what we can to facilitate the renewable energy sector in our region, in particular the large wind farm at Mount Gellibrand, but the reality is that a lot of the power or the influence on that going ahead is actually from the federal and state government perspective. We are doing what we can, and we are certainly demonstrating and trying to reduce our direct carbon footprint and our energy consumption directly.

Mr LEANE — Can I just follow up on Melina's question? I take on board Stewart's submission and the fact that you are governed in that wind power situation by state and federal governments. To help the committee, could we get more details, as the mayor mentioned in her submission, on local community renewable projects? Could the committee get some more details of those projects, because in the hearings we have heard evidence that with the coal seam gas we do not even know if it is really there, but we know that the sun comes out every day and we know it gets windy, so I think that would really help the committee in determining recommendations when it deliberates. So you can comment on that now or just take that on board for response later.

Cr CROOK — Could you give us a time line on that?

Mr LEANE — We are not actually giving an updated report until September.

The CHAIR — We are doing an interim report in September, so over the next little while.

Mr LEANE — Yes.

Mr ANDERSON — We can certainly do that for you, because I have only mentioned a couple of the major ones that have occurred recently, but there are certainly a lot more out there and a lot more that are driven at that local community level, which are the sort of things that were mentioned by Surf Coast about bulk solar purchasing processes and the like.

Mr LEANE — Yes, it really would add balance to what you have presented today.

Mr ANDERSON — Terrific.

Mr DALLA-RIVA — I thank the members for their contribution this afternoon. I will just make a couple of preliminary statements. We have heard evidence from people in other locations, Melbourne as well, about the extensive capacity for coal seam gas in the export market and the huge potential that is currently available from exporting it overseas. We have heard that in Gippsland there is a strong dairy industry as there is here, and there is a strong tourism industry. However, we have also seen in recent events significant job losses with some major industries here. I just did a quick check and have noted where some of the downstream manufacturing impacts have been. I am also looking at some of the growing developments in carbon fibre, obviously with Deakin University and Carbon Nexus, and the development there of utilising capacity for gas supplies. I am also taking into account Margot's comment that whilst there are negative impacts, there are some positive impacts. I am not trying to put words into your mouth, but I got the feeling that there are some positive impacts.

I just had a look at Geelong's unemployment rate. It is currently sitting at 8.2 per cent. I just did a quick search — I may be miscalculating — but there has been an increase in unemployment recently of 2.2 per cent, so I am trying to rationalise how council on the one hand is opposed to unconventional gas and yet there would be huge potential market capacity and growth in jobs and employment if this particular industry were allowed to be developed in this area. I am just trying to get a feel for whether you have taken into account any of the economic and employment impacts of the opportunities that may be afforded through this industry, taking into account — and we have heard very much about this — the social and economic impacts that may be considered in that process.

Cr SMITH — To clarify the point I made about the positive impacts, I think it was more in relation to the potential supply of gas to someone at a cheaper price. So that is why I made the point of it being national and state level communities.

Mr DALLA-RIVA — That is right. I heard that: national and state. That is what I was trying to get at — the exploration, the export market.

Cr SMITH — That is very much on that perspective. From our perspective in terms of our shire, we have done a lot of work in terms of what we think our community needs to look like out to 2030, and the number of jobs and the number of people that we expect to have here, which is why I made that comment around where we are getting the growth now in terms of the surfing industry. That surfing industry is not just about people out on boards in the water or not just tourism and teaching people to surf; it is about the design and manufacture of boards, and it is around all of the services to support that. That relies on a really strong natural environment.

If we go back into the hinterland, what we are seeing now around the agricultural businesses and the growth of those smaller farms and more intensive farming is a lot of success in that. That is where we see a lot of the growth and the potential agritourism-type activities that could be coming in there. To do that you need a really good natural, clean environment — to be known for what we stand for. You cannot encourage tourism or people to come and live here if where they are coming to live is going to be affected by this large-scale mining exploration. We do not believe it is the right fit.

While I have the opportunity, I would say that we have a clear example in my community, in Anglesea, where we are dealing with a decision made some 50 years ago to have a major coalmine there, and that is now closing. We will transition through to something different, but we are dealing with the rehabilitation of quite a large area

outside the community and understanding what has happened to that area in the meantime. What you might need to do for the future is something that we are having to grapple with.

I believe that with this type of industry we are going to leave a negative legacy for future generations. You do not want to leave it for a future community to have to deal with just for something that is short term. Why would you need to do that when you have other things, other developments and renewables that can give you the energy for sustaining our community?

Mr BAILLIE — Supplementary to that, if I may, Madam Mayor, it is not for us to speak on behalf of Geelong, but we are part of the G21 group of councils, so we do a lot together. Surf Coast also has a very direct interest in the economic viability of Geelong. It is true to say that Geelong is in economic transition — absolutely true. The transition is to smarter industries, research and technology, smart manufacturing, health care, education, the insurance sectors — all of these.

I am not aware that those sectors are constrained through the availability of natural gas. What they are more constrained by is workforce planning and the overall tone and vision of the Geelong region for being smart and innovative. To invest in technology that is rooted in the last century and to avoid instead technology that is focused on the future would be the wrong decision.

Cr CROOK — I have a couple of statistics. Agriculture for our shire is valued at \$160 million per year and tourism at \$133 million, so these are significant industries. In terms of how these industries might be progressing, particularly agriculture and dairying, it came to my attention this morning that there is a farm — and Simon might know of it — near Birregurra where the whole milking process has become robotic. This is an example of one new industry that surely has a lot of application in our shire. We will see the Australian Lamb Company in Colac investing \$60 million over the next two years in not only expansion but expansion into robotics and the like. They have been getting people from Europe to help with this transition process. Obviously we are in a transition stage here with our industry, and Colac is very lucky to have a diverse manufacturing range with three large industries there. I think it puts us quite apart from a lot of other country towns.

Really then it goes back to a point that Keith made in terms of workforce planning and responding to opportunities. I think it is very true, and it is a challenge — as an educator I understand this — to our education system, particularly in country areas, to respond with industry to these challenges and this change, this transition that is happening. You can work in a timber mill in Colac now and not get a splinter, because there is not much handling of timber at all. They want young people with a good attitude to work, and they want young people who know their way around a computer, and that tends to be most young people. These are the types of the jobs for the future, and certainly in addition to that heading into a renewable energy situation will create new jobs.

Mr DALLA-RIVA — Thank you.

Ms DUNN — Thank you for your presentation today. It is terrific to hear local government leading the charge on renewable energy. It warms the cockles of my heart.

Ms SHING — In a sustainable fashion.

Ms DUNN — In a very sustainable fashion of course, Ms Shing. In relation to some of the comments, Cr Crook touched on it in terms of quoting a couple of the economics around your local industry, and Cr Smith talked about thousands of jobs at risk from unconventional gas. I do not necessarily expect you to have this information with you now, but I think it would be immensely useful to understand those industries in those areas that may be impacted by unconventional gas — the scale of those industries, the value of those industries and what they input to your local economy in terms of dollars and jobs. I assume you probably have that information as municipalities, but I would like the committee to have an understanding of the potential risks at play. Cr Crook talked about tourism being your largest employer and the turnaround of Forrest as an example of that. It would be good to understand what are those significant key industries and what they mean on the ground in your municipality, if you could?

Cr CROOK — I do not have that information here now, but there is not a problem in getting it for you.

Ms DUNN — That is terrific.

Cr SMITH — I have not got the agricultural figures with me, but in terms of the tourism industry, we have visitors who spend about half a billion dollars with us, and we have got about 1100 full-time equivalent jobs. In terms of the surfing industry, our figures are around 1500 full-time positions, and there are also around 500 in the construction industry. I do not know why I mentioned that one. If no-one is coming here because we are not a good shire, then we might not have much of a construction industry either. They are certainly industries that rely on our way of life and the type of environment that we actually presently ourselves as.

Ms DUNN — So key drivers in your local economy.

Cr SMITH — Yes. We will find some more information around that agricultural sector and get it to you.

Cr CROOK — I think I know what you are driving at here in terms of the impact with the importance of these industries to our local community as well as to our economy of course. Could I add that it might be good to venture into what has already happened in Queensland with the Linc project, because it is right before us now. We can see where unconventional gas mining has gone wrong. It is current. It would be good to have an understanding from them, or from that community, to understand what that is going to mean in terms of the impacts on their industry, future development, jobs and everything else. We have that example right there. Heaven forbid and God forbid it never happens here, but surely we should understand that so we do not make the same mistakes.

Ms DUNN — I think that is an excellent suggestion, Cr Crook. I also think your recommendation of *Frackman* for the committee is an excellent recommendation. I wholeheartedly commend it to all of you.

Mr RAMSAY — My question relates to two issues. One is that the councils seem to have collectively taken a fairly strong position to oppose unconventional gas exploration in their particular municipalities and have not indicated to us whether they see any areas within their municipalities where they could perhaps entertain support for unconventional gas exploration. You talk about a moratorium, but really you are talking about a total ban in your municipalities?

Cr SMITH — That is right. For the Surf Coast Shire we have done that.

Mr RAMSAY — Okay, and Colac is sitting on the fence talking about the triple bottom line, but I suspect probably edging towards how long you want that moratorium to continue. You have indicated that the moratorium will go on for some time anyway.

Cr CROOK — I think it is quite clear in our resolution that we are not convinced about our triple bottom line being safe, and until such time, if ever, that was able to happen, then we are saying that the moratorium should be there.

Mr RAMSAY — Can I just pose to you then perhaps that the Surf Coast is very clear and Colac is not so clear. You have a lot of significant industries that use a lot of gas in the Colac Otway shire, ones that I am very familiar with. Do you see any opportunity for regulatory change that would satisfy your communities in relation to potential onshore gas exploration? Are the regulations insufficient at this time, or the information regarding the triple bottom line that you have talked about in your council regulation insufficient, or are you just of a view that there is too much discomfort in the community in relation to onshore, and in fact there is nothing that perhaps will give you any sort of confidence in regulatory reform or a framework that would satisfy your community's concerns?

Cr CROOK — I think council has arrived at this position based, firstly, on listening to our community, and that is what we have been elected to do. As I said earlier, there is no social licence at this point for this form of mining. Secondly, since this form of mining has been in place in Queensland and New South Wales we are seeing problems through lack of regulation whereby we have our agriculture and water basins, aquifers et cetera put at risk. In Queensland it seems that it was almost a free-for-all and now we are witnessing what happens when things go wrong.

For this council at this point in time, I cannot speak outside of our resolution, and that is as a result of respecting the fact that the Otways, from 2008 onwards at least, were encouraged to get into other industries — other forms of economy — through tourism and all of the wonderful things that have arisen since 2008 throughout the Otways. There is quite an economy that has developed there now. I guess our fear is again through the risk

and the risk management — and the capacity to be able to manage risk is so great — that is one of the things that impacts on our decision with this resolution.

The CHAIR — I thank the councils for the material that has been put forward. It has been very illuminating. The secretariat may come to councils, on both inquiries in fact, because there will be further information required. I think there are a number of items that the councils have undertaken to provide to the committee. We are thankful for your time. I will draw this session to a close very briefly, and then we will come back for further evidence.

Witnesses withdrew.