

TRANSCRIPT

STANDING COMMITTEE ON THE ENVIRONMENT AND PLANNING

Inquiry into unconventional gas in Victoria

Torquay — 12 August 2015

Members

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Mr James Purcell

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Secretary: Mr Keir Delaney

Research assistants: Ms Annemarie Burt and Ms Kim Martinow

Witness

Mr Ian Clarke.

The CHAIR — We are at the conclusion of the formal part of the hearings, but we are going to take some brief evidence, comments from the floor, as we did at one of our other hearings. As part of that, I want to extend a welcome to members of the public and thank them for attending, many for a significant part of the proceedings. The committee would like to give members of the public the opportunity to address the committee. The same rules apply in that evidence given is protected by parliamentary privilege, but if you say things outside this forum, it will not be protected necessarily by parliamentary privilege. To those who would like to speak briefly, my suggestion is you speak for 2 minutes, very clearly and to the point, and we will get your contact details at the start.

Mr CLARKE — My name is Ian Clarke. I am a farmer from Paraparap, which is 10 minutes down the road and smack bang in the middle of the current area that has the licence over it.

The CHAIR — The exploration zone.

Mr CLARKE — My notes are from my own personal point of view as a farmer. I am no scientist, and you will soon gather that. Anyway, here we go — —

The CHAIR — I am going to get Keir to give you the gong in about 2 minutes — so please be clear and direct.

Mr CLARKE — No problem. As I said, I am a farmer. We grow grain and some sheep for meat and wool. I have a \$12 million investment into that over 2500 acres. My concern is that the property owners throughout the whole area do not really have any rights if the mining company wants to come in. I understand that you can go to VCAT, and they will take you to VCAT if you say no, but then after that it is basically David and Goliath. You have not got any rights: no. 1 concern.

The compensation from the mining companies, as I understand it, from being in contact with some people in Queensland, is minimal — very, very minimal — if it were to go ahead. Another concern is that the reduction in property values is up to 50 per cent when you have got this gas system on your property. Also is the state government going to give a guarantee? If you have a current loan over your property, in your equity, and all of a sudden your property has dropped to 50 per cent of its value — or it might be 70 per cent — the bank could foreclose on you because you do not have enough equity in your property anymore.

Once the holes are drilled in the ground, we have got our wells and they are cased, I understand that the mining companies are satisfied — and they call it a sealed well — if they only get a 1 per cent leakage rate out of that well. That is still considered by the mining companies to be a successful well. My understanding is that the main gas that comes out of there is methane gas. Methane gas is 9 per cent more dangerous than your average CO₂ that comes out of a smokestack of a power station. It is not 1 per cent, in my view; it is 9 per cent that is coming out of the holes of a successful well.

Also what damage is this 9 per cent of the methane going to do to the soil, the substructure of the soil, the microorganisms — all your bugs, grubs, ants and spiders — which us farmers, as you have seen and heard today from all the people who have more knowledge than me, rely on for the health of the ground, so we can grow healthy grass, healthy pastures to grow healthy stock so you can have your nice chops or whatever you might have on your ecotour, and the export market and so on and so forth?

I will just sum up now. The risk as I see it is the human risk. We have got this gas coming out of the ground that was just not there before. I do not go that well sniffing gas — I really do not go that well — so I cannot see how the animals that we grow are going to go well. All the ecosystem that goes along with that is going to be suffering and under stress. The possible financial losses could just ruin people, without a doubt.

One last thing: this gas is supposedly for an export market. Currently the export market is at 4 cents a litre, which is going out at Karratha. I cannot see any benefit of getting this gas out of the ground, out of this beautiful ecosystem that we have here, and sending it off overseas for shareholders and a little bit of revenue for the state government.

The CHAIR — All right, thank you for that. We appreciate the contribution.

Witness withdrew.