

2015 VFF survey on onshore gas exploration, extraction, production and rehabilitation.

[https://www.vff.org.au/vff/Policy/Policy\\_Priorities/Onshore\\_Gas/vff/Policy\\_Submissions/Onshore\\_Gas.aspx?hkey=14f35ede-28ed-4241-8a70-b8a7a88379ca](https://www.vff.org.au/vff/Policy/Policy_Priorities/Onshore_Gas/vff/Policy_Submissions/Onshore_Gas.aspx?hkey=14f35ede-28ed-4241-8a70-b8a7a88379ca)

The VFF's Mining and Petroleum Policy Principles are listed below:

- Farmers should hold the power of veto over all mining, quarrying, oil and gas extraction on agricultural land.

*This is farcical for many reasons. It will be impossible to legislate given two different resource acts. If VFF think this is appropriate they are ignorant of the extent of infrastructure needed to service an onshore gas industry. I am not quite sure who VFF are trying to protect, us, the farmer, or mining. Doesn't stop a tenement still being held over your land which impacts your security of tenure, forward planning ability to sell on your terms, may need to have part of your land acquired for access pipelines, doesn't prevent impacts to your access to water supply, your ability to prevent potential contamination from toxic spills and environmental degradation as subsurface extraction has no fence boundaries and damage to the brand for the area. VFF should be supporting NO-GO areas as a more effective method of protecting farmers.*

- Landowners must receive appropriate commercial payments for all mining and petroleum activities on their land. *They don't know the risks because disclosures aren't made to the landowner so what is appropriate commercial payments.*

*This particular point means you place monetary motivation as the precursor for a farmer allowing mining on his land rather than the rationale be part of good governance and appropriate planning to provide intergenerational equity to support future farming enterprises.*

*Without a healthy environment you do not have a healthy economy. I would not want my future dependent on cash-strapped or older farmers taking mining as a supposed cash-cow to progress mining to the detriment of others.*

- The State Government should extend and change the present moratorium on issuing new CSG exploration licences and fracking, to include all types of unconventional gas exploration and mining until 2020.

*Farmers like small businesses need assurances and confidence in the future for us to forward plan our business structure, future improvements and financing. A long term moratorium does not give surety to our business. Some farmers in Seaspray are going into debt consolidation due to the uncertainty. A long term moratorium will make that worse. As a huge % of Gippsland and Otway Basins are under some form of mining tenement, I don't understand why the VFF is not proactively supporting us by requesting no-go zones, at the least, regardless of prospectivity because we need to know that agricultural takes precedent rather than VFF's mistaken belief that we can happily co-exist given all the scientific evidence of our stressed aquifers from decades on past mining. Extending the moratorium is seen, by some, as being active in tackling the issue but uncertainty is a tool used by big corporations (including governments) to exploit the situation for their own gain.*

- Any water of suitable quality obtained from exploration of gas on farmland be made available for agricultural use subject to stringent regulatory requirements.

*What is 'suitable quality'?*

*The issue of land farming will be a significant problem even in exploration stage as disposal of 'agricultural-quality' water is based on self-regulation and questionable testing. Who would be the body that advocates on behalf of farmers in any region to protect them because this is a no-brainer? The question needs to be asked to ensure landowners have a greater understanding of what the waste water discharge to land under permit conditions mean rather than the attraction of a new free source of water. This should form part of land access agreements so landowners know upfront if discharge of wastewater to land would impact their business requirements. How will the farmer be made aware of permit conditions allowing for the treated wastewater to be discharged onto his land, over what period of time, water quality and to its cumulative effects on its toxicity, suitability to plant type, soil permeability and ongoing drainage issues, criteria for water testing? The landowner needs to be assured disposal of wastewater onto farmland is tested and treated and full disclosures are provided to the farmer to make informed consent.*

- There must be no long-term adverse off-site impacts from mining and petroleum developments. For example on water supply or quality. *What are 'long-term adverse off-site impacts'? If this term can be defined how can it be proven that there will not 'be any long-term adverse off-site impacts'?*

- Farmland must be rehabilitated to its previous productive use at the end of the life of a mining or petroleum development.

*What is farmland? The top 300mm or is it down to one meter? You can refill a hole but you cannot replace the subsurface laying and clay layers that either hold the surface water or drain the surface water. All those rehabbed areas will have different drainage issues either improved or worse. To how that affects future farmland is impossible to determine in different topographic conditions.*

- Information on mining and petroleum issues must be made available to VFF members. *What information? Does this include all associated risks and full disclosures to enable a landowner to sign access agreements knowing legal and liability implications for the future?*

- The rights of landholders must be protected in minerals and petroleum legislation. *Do the VFF actually know what rights we do not have and actually inform their members of the loopholes and work to strengthen landholder rights under respective legislation? If companies have to prepare hazards and risks declaration to shareholders to protect their investments then the same rights should be afforded to the landowner prior to signing of a land access agreement to ensure transparency. Disclosures should state plainly that property covered by a License might violate the terms of a current mortgage or make it impossible to secure a mortgage, refinance or secure insurance on the property in the future. It is important that the landowner press for a contract which allocates responsibility for managing the risk and any adverse outcome onto the licensee operator.*

- Baseline information must be collected prior to the development of mineral or petroleum resources and independent monitoring must be undertaken during the development.

- In the case of land, air, or water contamination the onus should be on the mining or gas company to prove their activities are not causing the impacts. – *Called presumptive liability. The VFF should put forward some examples. eg. ‘...The North Carolina statute, for example, presumes that oil and gas operators and developers will be liable for contamination of all water supplies within 5,000 feet of an oil or gas wellhead.<sup>10</sup> This presumptive liability attaches unless the presumption is rebutted...’*  
<http://studentorgs.law.unc.edu/documents/elp/2013/phillipselp.pdf>

Below is when waivers are signed in advance for an amount of money means landowners waive their rights to any further claims.

3. EQT and Landowner/Resident are willing to resolve any and all Claims and matters regarding the Operations as set forth more specifically in the paragraphs below. “Claims,” as used in this Agreement, includes any and all liabilities, obligations, agreements, damages, causes of action suits, rights, remedies, demands, costs, expenses, and losses for injuries to persons, personal property, real property of Landowner or the Property (including, but not limited to, surface, timber, and water damage), annoyance, inconvenience, nuisance, pain and suffering, whether known or unknown, whenever occurring (past, present, or future) and whether now existing or yet to accrue, arising from or relating in any way whatsoever to the Operations.

4. In order to fully settle any and all Claims whatsoever, EQT agrees to pay the Landowner(s)/Resident(s) the sum of \$10,000.00 following EQT’s receipt of Agreements and Noise and Nuisance Easements executed by all Landowners/Residents referenced in Paragraph No. 1 above and EQT.

<http://www.psmag.com/navigation/nature-and-technology/cost-sign-away-legal-liability-future-health-problems-fracking-company-84953/>

- The State Government to take responsibility for any long-term risks or damage, not covered by a mining or gas company.

*Do they realise that this means tax-payer monies. This is the whole problem. We advocate to protect us, the landowner, from liability but when a company is absolved from any obligation after production plus 3 years or can abandon a site and declare bankruptcy then it is our own money that foots the bill. Our taxes are already paying for repairs to dropped infrastructure pipes in Latrobe Valley and South Gippsland because of ongoing subsidence. How many hundreds of millions has taxpayer dollars forked out because of poor planning and monitoring causing freeway and river collapses, etc. Let alone the health impacts to those communities close to pollution hotspots and the water health of the Latrobe River, the Tambo and the Gippsland Lakes from receiving industry waters.*

*How will Government address the problems where legal responsibility of a company is forfeited when they choose or become bankrupt?*

**Baillieu linked to mine debacle** - LIBERAL Party leader Ted Baillieu has been linked to one of Victoria's most damaging environmental debacles through his shareholding in a collapsed mining company.



The company, Denehurst, went bust in 1998, leaving the state government with a \$6.9million clean-up bill at the Benambra Mine, in Victoria's far east.

*'Denehurst had left the Benambra mine littered with equipment and potentially hazardous materials, including a dam full of tailings laced with lead, zinc and copper.'*

<http://www.theaustralian.com.au/news/nation/baillieu-linked-to-mine-debacle/story-e6fra6nf-11111249292>

***And the most recent example with the Morwell Mine fire where the owners refuse to pay the firefighting bill leaving the state with enormous costs.***

- Re-establish the Mining Warden, to help resolve disputes over land access, compensation and rehabilitation of farm land.
- Farmers be given greater rights in regard to gas and mining companies entering their land.

***They still miss the point. For mining to co-exist with agriculture is to accord farming as a land use a lower priority than mining. We would compete for water supply with mining holding superior rights, National Vendor Declarations have not been able to be resolved as the mining industry is dependent on self-regulation and always will be, localised and regional land subsidence will be worsened impacting our access to potable water and potentially changing landform, water runoff and floodplains, and community renewal will be impacted with rural farmland left with underground well infrastructure forever. Who wants to buy land when subsequent landholders are bound to maintenance of wells?***

***See MRSD act Code of Practice pg42 'Where exploration related infrastructure is to remain, the licensee should obtain the written consent of the Crown land manager or private landowner / occupier that they will assume responsibility for it.'***

*Either govt become party to the land access agreement and say that they will takeover management of wells into the future or the farmer can, unknowingly, take on that burden when they sign-off on rehabilitation in the exploration stage.*

**8. Do you believe onshore gas exploration on your farm would:**

*An exploration and retention licence combined could be over your property for a period of up to 35yrs. The VFF need to understand what retention licences would mean to a property owner and the region. Who wants to buy your land if you are sitting on a mother load? Would the VFF be happy for mining to hold our rural farmland to ransom over such a long period? In that time you may need finance so you go to your bank manager and ask for finance and say - I don't know when they are going to mine, I don't know how long they will take and I don't know how much land they will need but could you please give me a loan. Instantly an active licence is over your farm with Government actively promoting policy then my farm and my area is instantly devalued. The only way for it not to be undermined if a NO-GO area is in place.*

**9. Do you believe onshore gas exploration on neighbouring farms would undermine the value of your farm?**

*Of course it would. Who wants to buy land in a gasfield. A lot of farmers are older but if there is an active licence over their neighbours property they may be in a position that they need to sell but can't. The social issues that will arise in Gippsland is enormous with farmers often having their superannuation tied up in their farms so how do they access finance if needed?*

**12. Do you believe the current regulatory framework administered by Government and its agencies, such as water authorities, is adequate?**

*The current system is an absolute joke. Mining is exempt from protective measures of the Planning and Environment Act 1987. Mining trumps everything and holds priority so if govt policy is to support mining all other acts and frameworks are inferior and can only accommodate via implementation and adaption within their own policy frameworks. Consequently, there is a huge contradiction in objectives of each act and their ability to apply, crossover in jurisdiction can lead to loopholes and our landowner rights are forfeited when government transfer the right of another entity via a licence to the subsurface rights that we need to farm.*

**13. Please identify your key concern in regard to the environmental and health impacts of onshore gas extraction (Choose one only).**

- Chemical use (fracking chemicals)
- Aquifer cross contamination (leakage from a saline to fresh aquifer, via a gas well)
- Land contamination
- Waste disposal
- Land rehabilitation
- Public health
- Food safety

○ No concerns

*To choose one only is, again, ignorant of the VFF to acknowledge the many risks involved. My primary concern is not even there being aquifer depletion listed. Much of Victoria will face water scarcity into the future with it problematic how to maintain groundwater supply for existing industry sectors including existing coal industry. To add a new water intensive industry with onshore gas extraction is to put at risk total ground and surface water supply. Alternatives methods to utilise wastewater either through re-injection, landfarming, aquifer recharge and water treatment is expensive (borne by the taxpayer), each having their own risks and impacts and is in denial about the existing geology of coastal limestone and land and coastal subsidence being more detrimental to farmers over the long term.*

Prepared by Tracey Anton

0407 924 003

[tracey\\_anton@hotmail.com](mailto:tracey_anton@hotmail.com)

[www.communityovermining.org](http://www.communityovermining.org)