



HD Queensland's CSG backlash

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As the Queensland Government faces a Palmer United Party-inspired Senate Inquiry over **Coal** Seam Gas **mining**, farmers outline the impact the industry has had on their daily lives.

EMMA ALBERICI, PRESENTER: Queensland's Liberal National Party Government has denounced it as a political witch-hunt, but some of those who voted for Campbell Newman's team at the last election have welcomed the Senate inquiry into the administration of the Queensland Government. The Palmer United Party-inspired probe will look into the approval of **coal** seam gas projects under both the LNP and the former Labor governments.

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Farmers have told Lateline that the CSG industry has been allowed to run rough-shod over landholders, with more than 5,000 production wells now operating across Queensland.

Mark Willacy reports from the gas fields of the western Darling Downs.

MARK WILLACY, REPORTER: It's another hectic morning in the Nothdurft household. There are lunches to be made, teeth to be brushed and hair to be done. But for Narelle Nothdurft, the daily scramble to get her seven children off to school is nothing compared to the stress of dealing with the gas **company** that has sunk wells on the family's farm.

NARELLE NOTHDURFT: Nobody believes what we go through out here for the noise and the people and everything like that, so.

MARK WILLACY: So what would you like to see happen?

NARELLE NOTHDURFT: Them go away. That's it. I want to stay here where we are.

MARK WILLACY: The Nothdurfts moved out of **Chinchilla** so they could raise their kids on the land. Things went well for a couple of years, but then came the Big Dry, and so the couple agreed to let QGC sink its first well on their land. For the Nothdurfts, it was a matter of sheer survival.

ALLAN NOTHDURFT, **CHINCILLA** FARMER: In 2005 we had no water. We were to the stage of having to **buy** water just to - so we can bath the kids. Dams were all running dry. So, yeah, they said, "How would you like a well? All the water you want?" So, we said, "Yeah, bring it on." That was first mistake, I suppose, not knowing - I don't even know whether anybody knew about **coal** seam gas back then.

MARK WILLACY: One well would turn into seven, and for each, the family is paid \$265 a year, with another 12,000 paid for land access and usage.

ALLAN NOTHDURFT: It adds up to bugger all, especially for the amount of drama we have to go through and the time we spent on it.

MARK WILLACY: According to the Nothdurfts, that drama includes having gas vents about 100 metres from the family home, which they say give the children headaches.

ALLAN NOTHDURFT: We complained about them venting all the time and they decided that they'd come and shut them off and only vent it when the kids are at school.

MARK WILLACY: QGC says each of its vents releases an average of 2.5 kilograms of methane a day, adding that none of the **company's** employees has experienced any health issues while working in the gas fields.

Coal seam gas supplies 80 per cent of the Queensland market, while more than \$60 **billion** has been invested in gas projects in the state and about \$800 **million** a year is generated in state royalties.

Many people out here understand that **coal** seam gas is a lucrative industry and one that's important to Queensland's economy. But they argue that for too long the industry has been allowed to ride rough-shod over landholders, with CSG companies giving unfettered access to land and what lies beneath it.

But some are holding out, resisting the temptation of an endless water supply. Miles grazier Joe Hill breeds Angus stud cattle and he wants nothing to do with the gas companies.

JOE HILL, MILES GRAZIER: Once you take anything off them, that's a contract, so you're then locked in.

MARK WILLACY: Joe Hill's key concern with CSG is contamination of water and his animals, so four years ago he put up a sign out the front of his **property** warning the gas companies to keep away.

JOE HILL: Nobody's come on the place that we don't want since we've had that up.

MARK WILLACY: With Joe Hill holding out, QGC put its gas pipeline just outside his boundary.

Filming the clearing work for the pipeline was Joe Hill's friend, Darryl Bishop, who's been fighting another gas **company** to stop it coming on to his **property** upstream. He says he put his faith in the Liberal National Party Government of Campbell Newman reining in the gas companies.

DARYL BISHOP, MILES FARMER: When we vote people in we expect them to look after us, but they're not, they're looking after the gas companies, they're looking after **coal** companies. The last people they're looking after are the Queensland people.

MARK WILLACY: These disillusioned Liberal National Party voters now plan to lodge a submission to the Palmer United Party-inspired Senate inquiry into the Queensland Government which will probe CSG project approvals under both the LNP and the previous Labor government.

JOE HILL: There's a lot more going to come out of this inquiry than what the Government thinks. They think that it's just a witch-hunt, but it's not. We hope that the truth will come out and we'll all get our say.

LARISSA WATERS, QUEENSLAND GREENS SENATOR: The Greens have been really concerned for a long time at this trend of every single **coal** seam gas approval getting the tick.

MARK WILLACY: Larissa Waters will be the Greens representative on the inquiry committee. She wants it to look into what she calls the revolving door between the CSG industry and the Queensland Government.

LARISSA WATERS: You see folk who've been quite senior in the various gas or **mining** companies suddenly on the payroll of either the Premier or Department of Natural Resources and Mines or even the Coordinator-General's department and then they're back working for industry and then they're back as staffers and it's just a back and forth of industry and government. Is it any wonder that the **mining** industry is getting everything that they want?

MARK WILLACY: Among those who've crossed over from industry to government are Premier Campbell Newman's chief-of-staff and one of his senior media staffers, while the director of the Department of Premier and Cabinet only this year divested himself of his **stake** in a **company** that touted for business in the CSG industry.

The office of Queensland's Premier refused to directly answer detailed questions about the links between staff and the CSG industry, instead firing back at the Senate inquiry, calling it a political stunt.

Back out on the plains of the western Darling Downs, grazier Joe Hill is looking forward to heading along to the hearings of the Senate inquiry when it heads bush.

JOE HILL: We know what's going on. We're right at the **coal** face. We see it every day. So - we're not that big a fools that we don't know right from wrong.

MARK WILLACY: Submissions to the Senate inquiry are due by 18th November.

Mark Willacy, Lateline.

EMMA ALBERICI: And Lateline repeatedly approached APPEA, the body representing gas companies. It declined request for interviews and comment, as did the Queensland Resources Council and Queensland State Development Minister, Jeff Seeney. Our questions to the Queensland Premier's office and QGC and their responses are on our website.

Lateline's questions to The Queensland Premier's office:

The Queensland Greens Senator Larissa Waters says she wants the Senate Select Committee on Certain Aspects of Queensland Government Administration related to Commonwealth Government Affairs to inquire into possible conflicts of interest involving former CSG **company** staffers who now work in the LNP Government. Does the Government consider there are any actual or potential conflicts of interest involving these government staff members? Senator Waters says there's evidence of these former CSG **company** staffers attending meetings relating to CSG projects before the government. Is this correct and does this present a possible conflict of interest? Is it true that the Premier's chief of staff, Ben Myers, and one of his department's media operatives, Mitch Grayson, are former employees of CSG companies? Senator Waters says not a single CSG project or proposal has been knocked back under the LNP Government. Is this statement correct? How many applications have been received by the Queensland Government for the development of CSG wells? How many have been approved? What is the LNP Government's position on this Senate Inquiry?

Queensland Government spokesman's response: "This inquiry will be seen for what it is: a political stunt by Labor, Clive Palmer and the Greens. The Queensland government will not be distracted from the real issues of growing the economy and delivering better frontline services and a lower cost of living for Queensland families."

In relation to approval processes, please direct your questions to the Department of Natural Resources and Mines or Kate Haddan from Minister Cripp's office.

Lateline's questions to QGC with the responses from a QGC spokesperson:

Q. The Nothdurft family complains that it has a QGC gas vent approximately 110 metres from the family home. What gases or elements are released from these vents?

Each day, QGC's high-point vents progressively release an average of 2.5 kilograms of natural gas (or methane), which is an odourless, non-toxic gas which dissipates rapidly. This is about the same amount of methane released by six cows in a day. The Nothdurfts have two high-point vents on their **property** and run 40 to 50 head of cattle.

The natural gas being vented by QGC is trapped in water that has been produced from QGC's wells. The gas is released from water pipelines at the vents, which are a safety feature. CSIRO released a comprehensive study of fugitive emissions in June this year which confirms that the level of emissions by the CSG industry is low. QGC publicly reports its emissions every year through the National Greenhouse and **Energy** Reporting Scheme.

Q. The Nothdurfts say the emissions from this vent give them and their children headaches. What is QGC's response to that?

In March 2013, Queensland Health released a report based on clinical and environmental monitoring data that did not identify any link between health complaints from some residents in the Wieambilla estates and the gas industry.

In a separate study, Monash University researchers have been monitoring the long-term health of 20,000 past and current employees in the petroleum industry for 33 years. These employees have much higher exposure to gas industry emissions than the general community. Their November 2013 report states: "Overall, the study clearly shows that petroleum industry employees have better health than the general Australian community and are less likely to die of the diseases commonly causing death - including cancer, heart disease and respiratory conditions."

Our own workforce has experienced no health issues related to gas emissions while working in the gas fields.

Q. What measures have QGC taken to alleviate the Nothdurft family's concerns about this particular gas vent? QGC has had agreements with the Nothdurfts for more than nine years and has regular engagement with the family.

We have actively responded to every phone call we have received from the Nothdurfts.

Our operators and other staff regularly inspect our infrastructure, including vents, to ensure it is operating in line with approved conditions.

QGC works to minimise all our impacts. For example, we have been replacing older equipment with new technology when available.

The Nothdurfts receive \$265 a year for each QGC well on their **property**. Does QGC regard that as adequate compensation for having a gas well on a landholder's **property**? While confidentiality provisions of our agreement mean we can't comment on specific dollar values, we are compensating the family with many times this figure.

The Nothdurfts decided on the compensation amount they receive and entered into a voluntary agreement with QGC. The compensation included an upfront payment as well as annual payments for operation of wells on their **property** and factored in reduced earning capacity from those parts of the **property** where QGC infrastructure is located. QGC has also entered into **commercial** arrangements with the Nothdurfts for the supply of gravel from their **property** that was used to build access tracks and sites for the wells.

Q. The investigation of **coal** seam gas project approvals under the former Labor and current LNP Queensland governments is included in the terms of reference of the recently announced Senate Select Committee inquiry. The LNP has labelled the inquiry a "political witch hunt". What is QGC's opinion of the inquiry?

Like all Australians, QGC respects the proper parliamentary process of our Federal government.

Q. Can you detail the benefits of CSG to the Queensland economy?

We are helping to establish a new industry for Queensland. We employ thousands of people, we have invested up to \$150 **million** with local communities to date and our activities are expected to add A\$32 **billion** to the Queensland economy over 10 years.

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