

The Research Director,
Environment, Agriculture, Resources and Energy committee,
Parliament House,
George Street,
Brisbane Qld 4700

2 November 2011.

To whom it may concern.

Re: Submission on Proposed Strategic Cropping Land Legislation.

The history of past and existing coal mining projects across Queensland shows plenty of evidence to all but the blind, how inadequate rehabilitation and subsidence has been dealt with in the past. I get little comfort from reassurance from Mining companies and government that the future will be different. **I do not believe adequate legislation exists to force mining companies to rehabilitate to the level intended under SCL legislation.**

The level **of rehabilitation needed** to protect Strategic cropping land from long term production loss caused by above or underground mining requires **more consultation and Independent scientific assessment**. There is too much reliance and acceptance on developer's assessments and not enough independent evaluation and science.

A classic small example of **inadequate government oversight of exploration rehabilitation** was evident on the property, Arcturus Downs that I managed for 21 years until 2010. The property in the Golden Triangle area of Central Highlands is targeted for part of the Springsure creek Coal project. One of Bandanna coals exploration holes drilled within 300 meters of the farms 10,000 gallon per hour capacity main groundwater source produced gas, which forced the ground water to the surface. The hole was eventually capped, but the incident highlighted how 'hit and miss' drilling can be. There was no effective government oversight at the time.

Just because the hole has since been capped and therefore placed the issue 'out of sight out of mind' doesn't explain what ongoing environmental changes could occur to the water table from pressurised coal gas and possibly contaminated water entering the main water supply. It is a reflection on Governments process and commitment that just because SCL is supposed to be protected in legislation doesn't necessarily mean it will be so in practice. I believe **there needs to be some form of independent review or monitoring** [e.g. Ombudsman] process in place.

Land to be protected under SCL legislation is deemed worthy of protection for future generations and for food production. **Underground mining cannot reasonably guarantee that subsidence will not impact on this land at some stage in the future.** The Springsure Creek project for example, cannot guarantee adverse future impacts on; ground water or above ground farming and livestock operations, therefore there should be no such mining allowed.

There aren't adequate long term protections for Agricultural production on SCL under the proposed SCL legislation. Who carries the losses decades into the future when drill casings, mine holes, drill holes, or

underground coal mine roofing finally let go? The mining companies may be gone, governments change and set aside compensation has been moved elsewhere.

Coal Seam Gas extraction is likely to spread throughout large areas of SCL. Development and expansion is already moving faster than good science has adequately endorsed and the government can manage. **There needs to be 'breathing space' or a moratorium placed on CSG developing on SCL.** The easiest and most opportune way to deal with a first step approach is through the SCL legislation introduction.

The Springsure Creek Coal project final terms of reference were approved on the 2/6/2011 which is after the 31/5/2011 cut-off date. **Allowing exemption to a project** that will have significant social, environment and economic impacts on landholders in a proposed SCL area [Golden Triangle], **clearly shows the legislation is not adequately delivering on its intention to protect SCL.**

The Springsure Creek Coal project [EPC891] should not be excluded from the Strategic Cropping Land legislation. Clauses 282 and 283 should be removed from the legislation, because these clauses contradict the fundamental principles of the SCL legislation.

It can be strongly argued that **the Springsure creek coal project is not a project of public or state significance,** it is not in an advanced stage of development, it received preferential treatment by ministerial support and there is plenty of coal available to exploit in Central Queensland that is not under SCL.

There is inadequate attention or consideration in the SCL legislation to the landholder social and economic interest. **Consultation and disclosure for project that will impact on landholders private and business lives, must be better managed.** A land holder's life becomes stressful and can be held in limbo for extended time, at the discretion of the mining company. Their asset is locked to the future planning of the mine and their ability to finance or deal with banks can be uncertain with little avenue to seek compensation for losses.

Any proposed mining operation under or on SCL, should be forced to buy the land holders entire business in a timely way, if it is shown that the mine will alter the landholders ability to run his farming operation in the way he was accustomed to operate before the mine entered the area. The landholder should not be obliged to carry the emotional and financial burden or community benefit of a miners interest in the land or likely impacts on the landholder.

I have attached my submission paper to the draft TOR for the Proposed Arcturus Coal Mine Project, dated 25/3/2011 because many of the comments are relevant to this submission.

The whole purpose of SCL Legislation is for Government, on behalf of the nation, to protect the precious limited best of the best farm land for the future. This will **require a stronger role and financial commitment by Government** in managing the rapid expansion of coal and coal seam gas developments in Central Queensland than has been displayed in the past.

Yours Sincerely,

P. Ross Ingram.

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The Chief Executive
Department of Environment & Resource Management
Attn: The EIS Co Coordinator (Arcturus Coal Project)
GPO Box 2454
BRISBANE 4001

25 March 2011

Public Submission to draft TOR for Proposed Arcturus Coal Mine Project.

It is my understanding that this submission should address the Draft Terms of Reference for the future Environmental Impact Statement to be prepared by Bandanna Energy Ltd.

The Arcturus Coal Mine Project **draft terms of reference are very detailed and comprehensive**. I see little point in me being critical of the individual TOR points. I would prefer to save my time and energy to respond to Bandanna EIS as it unfolds. This submission contains relevant comment and observations that highlight my concerns about the Arcturus project and TOR.

Last year I retired from all business and public positions after **21 years as manager of Arcturus Downs Limited**. This company owns the Springsure property, Pindari and the Orion district properties; Arcturus Downs, Kronje and Barton Downs. All will be impaired by the proposed mining development. I was on the board of Fitzroy Basin Association (FBA) for 5 years, a director of Fitzroy Basin Food and Fibre (FBF&F) since its inception and part of numerous rural regional reference groups that dealt with such issues as Grains BMP and Catchment water reform.

I mention my recent background because I have relevant experience, with a passion for the environment and protection of farmers' rights to operate in a productive and sustainable way. In my 21 years farming in Central Queensland, the most disappointing aspect has been the almost "blind rush" to **exploit coal and gas resources in the region with limited regard for the long-term sustainability of the regions farmlands and communities**. I am not opposed to mining developments provided they don't destroy or degrade our precious water, farm soils, ecosystems and rural communities.

Throughout development of the Queensland Governments Sustainable Cropping Lands Policy, farmers have been receiving **assurance that strategic cropping land will be protected in this state from mine developments**. The farmland and floodplain areas within the Arcturus mine project areas are among the most productive farmlands in the state, containing some of the best agricultural soils. For this project to be proceeding without being first assessed under this pending legislation, suggests the Mining Company expects to overcome any future Sustainable cropping Lands Legislation and the Government shows poor judgement in allowing this project to advance.

Despite assurances from Government and Mining Companies that **long-term sustainability for the regions farmlands, communities and environment** are not at risk. Even "Blind Freddie" could see that the ever expanding coal and gas mining operations of the region cannot return farmland to

its pre-mining productive state. Ecosystems and rural communities are absorbing a difficult to define cost of this expansion, for the short term benefit of revenue and jobs. A rethink is needed by decision makers where mining is acceptable. They should be hearing similar alarm bells ringing to those that warned of the Global Financial Crises coming over the horizon. Prime agricultural land is precious in a world heading for food production problems and therefore needs conserving.

The **Arcturus and Springsure Creek mine projects will be far a bigger operation** than the Rolleston or Minerva mines of the district. The community impacts are going to be far greater than the area has experienced. With two separate mine sites, most likely delivering to one central processing and rail load out facility, the staff movement, mines, roads and rail impacts will be far wider than the mine site boundaries. Compensation must take account of far more than just the properties taken over by a mine site.

If Bandanna Energy commenced their Terms of Reference stage before the Commonwealth made a Social and Economic Impact assessment under MNES, the bilateral agreement between State and Commonwealth Governments will not apply. Therefore **Bandanna must deal with the Commonwealth on any assessment process**. This will hopefully lead to wider scrutiny of the project that may have National Environmental Significance. Issues such as; native grasses, bird habitat, soils and water catchment consequences will receive wider scrutiny

The **Terms of Reference (TOR) do not adequately challenge the need for such a project**, but rather ask the proponents how the issues, problems and suitability will be dealt with. It fails to adequately challenge why a projects that may achieve state significance status for revenue and jobs reasoning, has to be imposed on the Orion community, who clearly don't want it. It also fails to adequately question why these mines are necessary when there is so much coal available on less valuable and productive land.

If as the Queensland Premier recently stated, there is **200 years of available coal at current extraction rates**. Why is the Arcturus and Springsure Creek project proceeding under Prime Agricultural producing land when the project is in the early feasibility stages of development?

It is unjust to see generations of farmers and productive profitable farming businesses pressured into or **obliged to accept a compensation package that may provide a token 10% premium** on the market value, to make way for a mining operation. They can only sell to the mining company at a time convenient to the miner. The farmer's family endure stress and uncertainty. They are unable to fully commit to their properties; their lifestyle is disrupted and are expected to walk away from a life's work and passion with the expenses to re-establishing elsewhere, for a token of 10% premium. Legal aid should be available to farmers subjected to mine development and compensation should be settled early.

Arcturus Downs Ltd would be one of the most productive, enterprise diverse and valuable properties in the Central Highlands, generating up to \$10 million in turnover per year. Mining on the scale proposed, will disrupt its operation and has little future for the owners in a broken up format. I suspect that haul roads and access to **an underground mine under part of Arcturus Downs will split the property and make many current operating practices unworkable**. The Mine developer, if granted a license, should be forced to buy the entire business rather than negotiate for relevant land parcels.

The **TOR guidelines will generate a statistical approach to socioeconomic values** etc, in Bandannas EIS. Unless those evaluating Bandannas EIS are seriously engaged in the consultation process, community and farmers' concerns and values may be overwhelmed, subsequently undervalued by data, jargon and faced with unreasonable costs to challenge.

My observation of exploration well **rehabilitation shows a clear lack of Government Departmental oversight of rehabilitation**. Santos for example drilled and capped a gas well on Barton Downs in 2005. The area remains fenced off, the waste pit is still open and no ongoing site compensation paid. I did not make issue over this site because I chose to see how the Santos agreement and monitoring was dealt with. There are other examples that suggest Government resources are not adequate to back monitoring. Compensation paid for each drill site, should involve Government setting a realistic value, that takes into account difficult to cost values such as, farmer family disruption, time, stress and inconveniences not just the cost of land activity.

Recent flood events in the proposed Arcturus and Springsure Creek mining area have highlighted **how vulnerable mine works are to extreme rain events**. In January 2002 a rain event dumped 397mm on the Arcturus area over a 5 hour period, causing massive flood damage. In 2010, two flood events in the Comet catchment, one in February 2010 and the other in December 2010, the later resulted in a record flow in the Comet. These highlight the risks of mining in the area, including the risk of handling contaminated mine runoff water.

Much has been recorded about **the productive history of Orion farmland soils**. These fertile cracking clay soils cannot be replicated, they have potential to store carbon in a carbon storage and traded future. These are precious soils that if mined, cannot be fully rehabilitated to their former production after mining. The EIS must prove beyond doubt, that Bandanna can rehabilitate where historically other mines have had limited success.

Subsidence due to underground mining will affect farming above ground. There was a major problem at Gordon Downs, a large organic farming property at Capella, from long wall mining at Gregory mine. The owners of that property had to endure a long drawn out ugly battle for compensation that resulted in the business shutting down and selling to the mine. The farming operator should not have to battle for a just outcome in such circumstances.

Retaining experienced farm staff is a constant problem on the Central Highland because of the expanding coal mining industry. The Arcturus Downs Ltd business employs 15 permanent staff plus numerous casuals. The business has lost many good men to the higher wages and easier work conditions offered by the mines and is often used as a step towards a mine job. As a consequence, Farmers have had to accept many poorly skilled and short term staff that generates higher costs to the business through poor work performance, equipment damage and having to pay high wages to compete with the mines. These are **real costs to local business that the mining industry has not had to account for**.

It is difficult to get tradesmen for on farm work, and their rates are inflated by mining influences. There are ongoing handling problems for grain on the rail network that favours coal train over grain movements. Arcturus Downs Ltd was partly compensated for loss of over \$300,000 on one grain trade alone because of a rail access problem. Ten years ago fuel theft, trespass and rubbish on the roads through Arcturus Downs wasn't the issue it is today. The added social and mental strain on

farm managers and their families created through mine activity receives **little acknowledgement from Government and mining companies**, despite its real cost.

Underground water is critical to the operations of, livestock, crop farming and domestic needs on Arcturus Downs. One major reliable water source at the Arcturus homestead (10,000gallon per hour at 20metres depth) meets the needs of 6 houses, up to 1600 head of cattle and normal business operations. All crop spray applications on 8000 hectares of crop are supplied from this bore supplying over 2 million litres of high quality water per year for spraying alone.

Without this water supply, the business could not operate. Any **interference with the undergroundsource could put the business viability at risk** and irreparably damage the water table. One Bandanna exploratory drill hole through this water source produced gas, which forced the water to the surface within 300 metres of the main bore. The hole has since been capped, but the incident highlighted how “hit and miss” drilling can be with any long term contamination consequences in this case buried under the cap (out of sight out of mind).

I am not an expert on underground water contamination or depletion. The **risks to the long termsustainability of existing and future surface agriculture** are too great if underground mining proceeds under Arcturus Downs.

Responsibility for a fair outcome rests with State Government primarily through the Environmental Impact Statement and compliance processes. With adequate Queensland Government funding and support for the relevant departments responsible for this project, I hope the Arcturus and Springsure Creek project will be challenged on its impact on people and the land, ahead of jobs and profits.

Future generations will judge our generation’s **stewardship of this precious land** by what we leave behind. A history of abandoned mines, half-hearted restoration, disrupted land scapes and ecosystems from mining operations that have a brief window in time is not a pretty record. Protecting prime agricultural land and businesses would be a noble legacy.

While my submission mostly contains comment and observations rather than specific references to the Terms of Reference (TOR) points, I hope my effort will allow more **consideration to be given to these concerns**¹ as they are currently dealt with in the Draft TOR and pending EIS.

Yours Sincerely

P. Ross Ingram

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