



Independent Scientific Panel Inquiry
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Dear Dr Tom Hatton and Panel members
Submission in Support of Hydraulic Fracture Stimulation

I support the development of an onshore gas industry that uses hydraulic fracturing to extract gas, where:

- projects deliver positive economic benefits to the local economy,
- relevant approvals have been granted and regulations complied with for the activities to be conducted.
- monitoring of approved fracking areas are conducted, providing feedback to community members that hydraulic fracking is not having a detrimental effect to the environment.

Below are my submission points on the beneficial community impacts that hydraulic fracturing could have in the Kimberley.

Local Economy

Broome has become too reliant on tourism. The tourism sector is seasonal, meaning that many businesses operate at high levels during the peak dry season and significantly falling during the low season.¹ These fluctuations make it difficult to provide for a sustainable economy. The heavy reliance on very few resources, increases the region's exposure and risk to future economic shocks, should there be major issues in any one of these key industries.

Given the large estimates of gas in the Canning Basin (up to 1000 trillion cubic feet), the onshore gas industry presents an opportunity for Broome and surrounding communities to diversify their economies, with an industry that could exist for 40+ years.

Local Employment

As at March 2016, unemployment in Broome was at 9.2% in March 2016 and Kimberley wide was 14.5%.²

The 2011 Census outlines key differences in labour force outcomes for the Indigenous and non-Indigenous populations in Broome. In 2011, Indigenous labour force participation was 43.1% and unemployment at 16.4%, more than double the State average. In contrast, non-Indigenous labour force participation was 81.7% and the unemployment rate at 2.3%.³

As with many rural economies, long term job opportunities and future career paths in the Kimberley are limited. The Kimberley faces significant ongoing social issues, job creation needs

¹ Page 2. AECgroup - Broome Economic Profile REVISED (2012) Available at <http://www.broome.wa.gov.au/Discover-Broome/Facts-Figures>

² P 11. Hutley N, Knight, M, Somek, D (2016). Broome Economic and Situational Analysis. Available at http://broomegrowthplan.com.au/wp-content/uploads/2017/03/FINAL_RCDP2-Broome-Economic-and-Situational-Analysis.pdf

³ Hutley N, Knight, M, Somek, D (2016). Broome Economic and Situational Analysis. Available at http://broomegrowthplan.com.au/wp-content/uploads/2017/03/FINAL_RCDP2-Broome-Economic-and-Situational-Analysis.pdf

to occur across a number of sectors and the oil and gas industry will be an important contributor to providing jobs to people within Broome and in the remote areas, where the onshore oil and gas explorers operate.

Without the assistance of hydraulic fracturing, a number of the confirmed rich oil fields within our region, cannot be accessed and onshore production of gas is not be able to occur.

Amenity of Land

We often work in remote areas, and am aware of the regions where the onshore operators operate and have conducted their exploration activities.

These areas do not have residences in close vicinity, are not areas where tourists visit for enjoyment and are generally sparse with no distinguishable features.

Despite environmental groups claiming that there will be 40,000 wells in the Kimberley, one local explorer, Buru Energy has stated that they will only require approximately 8 – 10 well pads for their proposed Yulleroo project. These well pads have a small footprint, especially when compared to the vastness of the surrounds. Once drilled the wells could be described as being passive and simple, without the need of complex processing plants to be built, to support production from the wells.

Infrastructure for onshore gas pads has a low profile and would not visible above the height of the surrounding shrubs.

Social Licence

The oil and gas industry in the Kimberley has earned its social licence to operate.

Onshore oil and gas explorers and producers employ many locals in Broome and use many local businesses. They sponsor many community events that would not otherwise occur. They pay Shire rates on their exploration permits that contributes to maintaining local infrastructure and pay royalties to the State of Western Australia when producing.

Buru Energy has a 100% locally based workforce for its Kimberley operations, and uses many more local contractors. They have sponsored a number of events around town such as Broome's Chinatown Christmas Party, New Year's Eve fireworks, Broome Sports Awards, and the Shinju Matsuri Art Awards.

Hydraulic fracturing has been shown to be safe and of low risk to the environment by a number of inquiries in Australia and overseas. This included a Parliamentary Inquiry undertaken in Western Australia only a few years ago.

Given the practice of fracking has been subject to extensive research and ongoing review, I encourage the Panel members to take a scientific based approach to the issue, as well as understanding that the Kimberley needs jobs and industry to retain and attract residents.

Regards



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