

Dear Sirs,

I wish to make a submission into the inquiry into hydraulic fracturing IN SUPPORT of the process.

My name is David Galwey and I am a resident of Broome and the owner of a large intensive irrigation horticultural operation, Shamrock Gardens, approximately 150km south of Broome. This operation produces around 6000 tonnes of watermelons per annum supplying Perth, Sydney, Melbourne and Adelaide, and also produces rockmelons that are exported to Japan, Hong Kong, Singapore and Dubai. I think that fraccing will be beneficial to the region, does not pose a threat to the environment, and can be complimentary to all existing industries in the region.

As the owner of an intensive irrigation property in the Kimberley I obviously have a keen interest in the current debate on the merits of hydraulic fracturing for the extraction of oil or gas and its effect on the environment.

Given my interest, I have taken the time to attend a number of seminars and meetings where the science of fraccing has been discussed. These meetings have been held under the auspices of the Department of Minerals and Energy and one of the local proponents of the industry, Buru Energy.

GAS IN THE KIMBERLEY

It is estimated that 1000 trillion cubic feet of gas could be contained in the Canning Basin.¹ With 1 TCF of gas being enough to power a city of 1 million people with electricity for 20 years, the extraction of gas in the Kimberley presents a significant opportunity to benefit local residents and Western Australians.

This gas is mostly described as 'tight' gas, requiring hydraulic fracturing to release the gas. The gas in the Canning Basin is typically located between 2.5 – 3.5km below the surface, well away from any potable aquifer.

The areas where exploration of gas occurs are very remote and occur in flat, featureless areas, so amenity and enjoyment of these areas is unlikely to be impacted because there are no nearby residences.

WATER

Environmental activists claim fraccing uses toxic chemicals, sucks aquifers dry, and contaminates aquifers.

From attending community meetings and speaking with Buru Energy, I am aware that the proposed fraccing program for 2014 was estimated to use about 31ML of water, which is

¹ The Facts about natural gas and fracture stimulation in Western Australia, available at:
http://www.dmp.wa.gov.au/Documents/Petroleum/The_Facts_about_Fraccing_Brochure.pdf

less than 0.002% of the sustainable yield of the groundwater aquifers in the Kimberley. The water use at each well site is equivalent to the water contained in three Olympic sized swimming pools, and is less than the water required to irrigate 1 hectare of sorghum crop annually. This is insignificant compared to the amount of rainfall that the region receives each year.

I am also aware that companies wishing to conduct hydrocarbon exploration must declare downhole chemicals used pursuant to regulation 15(9) of the Petroleum and Geothermal Energy Resources (Environment) Regulations 2012. The DMP has environmental responsibilities and the responsibility to ensure chemicals used are safe and will not contaminate the environment. I am confident in the DMP's ability to regulate the industry.

Further, I refer to the Yawuru expert report on fracking which concluded that "Human exposures to the chemical additives, particularly for community members away from the occupational setting where the hydraulic fracturing is being conducted, are limited and would not be expected to produce adverse health impacts."²

AGRICULTURAL BENEFITS

Oil and gas exploration on a pastoral station requires water bores and access tracks. Often these water bores and access tracks are often handed over to pastoralists at the end of resource exploration activities, enabling greater productivity on pastoral lands by pastoralists and agriculturalists.

The Federal Government's live export ban in 2011 was devastating to the Kimberley cattle industry imposed a live export ban on cattle. It placed extreme financial difficulty on many pastoral families in the region.

I know of a few pastoral families that would have lost their livelihoods if it weren't for the resources industry operating in the region. Pastoral families were able to seek alternative income streams from resource companies operating on their stations, as well as the resource companies leaving infrastructure such as roads and bores for the pastoralists to use, which can cost up the hundreds of thousands of dollars.

REGIONAL BENEFITS

The Kimberley has the highest unemployment rate in Western Australia and faces significant social challenges, many of which will take decades to address. A lot of these social issues are best addressed by providing people with meaningful employment. The unemployment rate in the Kimberly has grown to 12.2% in 2015 which is double the State unemployment rate. The breakdown of unemployment by Local Government Area can be seen in the Kimberley Labour Forces and Unemployment table in the attachments to this letter.³

² Available at <http://www.yawuru.com/wp-content/uploads/2014/07/Yawuru-Expert-Group-Consolidated-Report-on-Buru-Energys-TGS14-program-ID-48650.pdf>

³ <http://kdc.wa.gov.au/economic-activity/employment/>

It is my understanding that the amount of gas that is present in the Canning Basin could sustain a 40 year industry. This would provide a significant amount of long term jobs that would retain Broome's youth, who may otherwise have to leave town to secure long term skilled work.

The resource industry has been a positive influence in the region, sponsoring numerous events that otherwise would not occur. It also employs a number of long term residents, in a region which has too many short term government and itinerant workers. A long term work force means long term residents who will stay and commit to the town and region.

ENVIRONMENTAL IMPACT

I have read a number of scientific articles on the industry which have been both for and against fracking. I have noted that the opponents of the industry largely source their information from anecdotal evidence of things that were supposed to have happened in the United States, and in particular based on poorly researched and emotive films such as 'Gaslands'. A common myth is that water taps will catch on fire due to fracking. This myth has been proven to be wrong yet the activists are not required to correct it.

There have been more than 14 inquiries into fracking in Australia which have concluded that the technology can be conducted safely. In particular the local native title holders of Broome, the Yawuru people, commissioned an independent expert report into fracking, which is publicly available.⁴ The report concluded that "The overall findings that the impacts and risks associated with down-hole chemicals are limited (and that Buru Energy's controls are sufficiently protective) are reasonable and appropriate" and "Human exposures to the chemical additives, particularly for community members away from the occupational setting where the hydraulic fracturing is being conducted, are limited and would not be expected to produce adverse health impacts."

The area near Broome where hydraulic fracturing could be used to extract tight gas is remote. There is no human habitation in the area and the area does not have any tourism appeal. I have seen well pads and they have a very small footprint, especially when compared to the surrounding landscape.

Fracking occurred near Broome in 2010, and if the process was as environmentally cataclysmic as activists would have Broome residents believe, there would have been ample time for problems to present for all residents to see.

ENVIRONMENTAL ACTIVISTS NEED TO BE REGULATED

The inquiry should recognise that the negative reputation of fracking is largely because of militant activist groups who are barely regulated and do not suffer any consequences for misleading the public.

⁴ Available at <http://www.yawuru.com/wp-content/uploads/2014/07/Yawuru-Expert-Group-Consolidated-Report-on-Buru-Energys-TGS14-program-ID-48650.pdf>

These groups deliberately mislead the public, causing delays and additional costs to resource projects, or deterring investment in resource projects all together. For example, Environs Kimberley have consistently claimed that there would be more than 40,000 fracking wells in the Kimberley (see attachment). This is enough to scare the most hardened supporters of the resource industry, but is physically impossible. It would mean a fracc well would be drilled every 10km², and would require and investment greater than Australia's annual gross national produce.

Resource projects are major employers and investors in regional areas, whereas the activist groups do not pay taxes or royalties, employ few people, and are often the recipients of large government grants. The activities of activist groups leaves the state government to fund employment programs and fund infrastructure in regional areas that otherwise could be funded by private organisations. These groups are often based in well serviced urban areas like Perth and Melbourne, yet stir up division and fear in regional areas. The inquiry should recommend that charitable activist groups lose their charitable status and pay for corrective advertising for making misleading statements.

I am satisfied that given the high level of environmental scrutiny applied to the resources industry in WA and the Kimberley in particular, that fracking can be carried out in this region without having any detrimental effect on the environment in general and more especially to the aquifers on which we depend for our livelihood.

The Department of Mines and Petroleum are the correct regulators for the industry, not a group of unaccountable activists who do not contribute anything to the State or this region.

Regards

David Galwey

The future for the Kimberley?



Frack Free Kimberley Community
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40,000 gas fracking wells in the Kimberley?
 Join us in calling for a moratorium now
<http://policy7.org/ocs>

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Liz Pegler Why do you think the WA government is closing Remote Aboriginal Communities!

Geoff Ammon Very true

Liz Pegler I live in Port Hedland and the Iron Ore price is down and the work force has just been cut here... yet the government is still building housing...

Geoff Ammon No fracking yay

Geleyns Barnett We need an "unlike" button & Frack Off!!!

Lisa Bombo calling out and sent emails ...lets ask About when he is in town on Saturday...

Jim Whitton Done... Watch the movie gas land... Just disgusting...

Kimberley Labour Force and Unemployment as at March 2015

Population Centre	Labour Force	Unemployed People	Unemployment Rate
Broome	10,208	806	7.9%
Derby-West Kimberley	3,991	722	18.1%
Halls Creek	1,489	494	33.2%
Wyndham-East Kimberley	5,308	547	10.3%
Kimberley	20,996	2,570	12.2%
Western Australia			5.2%

Source: Commonwealth Department of Education, Employment and Workplace Relations – Small Area Labour Markets