

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; and
- relevant approvals have been granted and regulations complied with for the activities to be conducted.

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

Regulations

The resources industry is governed by more than 22 pieces of state and federal legislation and overseen by at least 8 government regulatory agencies. This has ensured that the industry operates within parameters that protect people and the environment while benefitting Western Australians.

Additional Regulations Needed

The resources industry is highly regulated and a positive contributor to the Kimberley region.

There have been many inquiries into fracking as showing on the Inquiry website. All Australian inquiries have concluded that fracking can be done safely.

Within the previous western Australian Inquiry held in 2015, in addition to concluding that fracking could be safe, the committee noted that:

The committee found that there was considerable misinformation within the public domain about hydraulic fracturing which understandably led to community anxiety.

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If any extra regulation is required it would involve the regulation of environmental charitable groups who I have found have a negative influence on the region and act in a manner contrary to the high expectations that are expected of organisations not paying tax.

I believe that it is overdue and that the Panel consider recommending that these groups face penalties for deliberately promoting misleading information or using the legal system frivolously to hinder lawful projects. These groups operate in a privileged space by not paying taxes and their donors receiving tax concessions. They do not pay rates in the Kimberley Shires, nor do they employ locals. These activist groups have a responsibility to ensure the information they promote is accurate and to the highest standard, which I do not believe occurs

Local Economy

Broome 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 can make it difficult to provide for a sustainable economy. This heavy reliance on a few industries 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 to diversify its economy 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

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

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As with many rural economies, long term job opportunities in the Kimberley are limited so when companies are willing to invest and employ in the region they should not be discouraged by unnecessary regulation or requirements.

The Kimberley faces significant social issues, and one means to address these social issues is by providing people with long term employment. Job creation needs 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 hydraulic fracturing the tight gas cannot be unlocked, and onshore production of gas would not be able to occur.

Amenity of Land

I 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 any residences in close vicinity, are not areas where tourists visit for enjoyment, and are generally flat 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 complex processing plants needed required. Infrastructure for onshore gas pads has a low profile and would not be 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 repeatedly been shown to be safe and of low risk to the environment by a number of inquiries in Australia and overseas. This

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includes a Parliamentary Inquiry undertaken in Western Australia only a few years ago.

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

Travis Blackman

A handwritten signature in black ink, appearing to read 'T. Blackman', with a long horizontal flourish extending to the right.

09/03/18