



# **NORTH STAR PASTORAL**

**Address to:**

**NT Shale Gas Inquiry**

**Darwin Formal Hearing**

**10<sup>th</sup> March 2017**

# North Star Pastoral

- Holds ~ 2 million acres across NT
- Limbunya Station (Victoria River District)
- Hodgson River Station, Maryfield Station (Mataranka)
- Wubalawun Station (Mataranka)
- ~ 10,000 live cattle exported per yr
- ~ 6,000 head sold domestically per yr
- 80,000 head

# Gas Companies & Govt V Pastoralists

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# Level the Playing Field

- **Power imbalance: root cause angst**
  - Time;
  - technical knowledge;
  - economic capacity; and
  - political influence.
- **Pastoralists must have right to say ‘no’ to gas operations on their land**

# Evidence: Power Imbalance

## 1. Productivity Commission 2013, *Mineral and Energy Resource Exploration*, Inquiry Report No. 65, Canberra. Pages 18, 133:

Land access: rural land holders disadvantaged due to:

- **limited experience** in undertaking such negotiations compared to explorers, who may have negotiated hundreds of such agreements;
- the **asymmetry of information** regarding the potential impact of the exploration activity;
- and an **imbalance of power**, as in most cases, rural land holders are legally required to allow explorers to access their land.

## 2. Human Rights Commissioner Tim Wilson, Castan Centre for Human Rights law conference, Monash University, 23 July 2015:

- Aust governments must **give farmers more rights** when energy companies are negotiating access to potential gas reserves on their property.
- Cause: ***“But the issue is not the miner. The miner is only doing what the law allows them to do. The issue is the law and whether it properly respects the surface property rights of the farmer. Only government can legally facilitate this violation and absent the necessary respect for rights.”***
- Because of the laws as written, access to a farmer's property ***“is not done on the basis of consent or respect for the farmer. And that's when you get conflict and I would argue, a human rights violation”.***

# Potential Gas Co Impositions on Pastoralist's Land

- Clearing of land (seismic)
- Alterations to ag program
- Biosecurity risks
- Tracks & roads
- Production wells
- Exploration wells
- Gas pipelines
- Clean water pipelines
- Dirty water pipelines
- Powerlines
- Clean water dams
- Dirty water dams
- Reverse osmosis plants
- Gas compressor stations
- Brine encapsulation facilities
- Work offices
- Fuel burning (flares) equipment
- Weeds
- Unauthorised entry
- More access points - increased cattle theft

# Pastoralist's own activities requiring prior approval of Gas Co can include

- Construction of buildings, yards, dams, table drains, irrigation ditches, troughs or tanks
- Driving vehicles exceeding 10t over gas pipeline
- Constructing new track over gas pipeline
- Installing pipeline over gas pipeline
- Farming/deep ripping/grading over pipeline to depth > 200mm

# Solutions: Power Imbalance

- **Agreed Principles of Land Access**
- Agreement on land access for CSG operations in NSW signed on 28 March 2014.
- **Signed by Santos and AGL, and landholder reps NSW Farmers, Cotton Australia and the NSW Irrigators Council.**
- All parties agreed to the following principles:
  - Landholders allowed to freely express views on type of drilling operations that should or should not take place on their land. **Any landholder at liberty to say "yes" or "no" to the conduct of gas operations on their land.**
  - Santos & AGL will respect the landholder's wishes & not enter onto a landholder's property to conduct drilling operations where that landholder has clearly expressed the view that operations on their property would be unwelcome.
  - The parties will uphold the landholder's decision to allow access for drilling operations and not support attempts by third party groups to interfere with any agreed operations.

# Solutions: Power Imbalance

- Gas Co to pay all pastoralist's costs including his/her **time, technical & legal support**
- Gas Co to pay all dispute resolution costs
- Robust compensation terms & conditions that protect pastoralists
- Comprehensive & transparent:
  - **'make good' provisions** including biosecurity, water & land risks
  - more protective 'compensable loss' definition

# Two key elements: Gas project application

## 1. Natural/Engineering Science Aspects

- Eg hydrogeology, well construction
- Quantitative assessment
- *But it is not just about the natural sciences*

## 2. Human/cultural Aspects (= social sciences)

- The values & aspirations of communities must override the natural science
- Based on values: trust, respect, openness, transparency & accountability
- **THE MOST IMPORTANT OF THE TWO ASPECTS BECAUSE IT IMPACTS ON PEOPLE, YET POORLY DONE**

# Stakeholder Engagement Levels

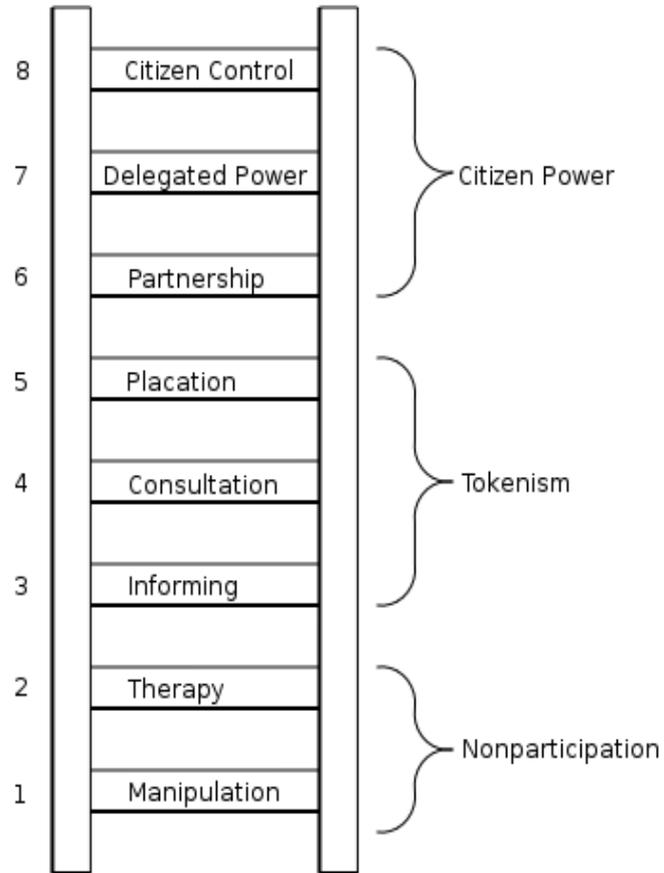


Figure 2. Eight rungs on the ladder of citizen participation

*Sherry Arnstein, "A Ladder of Citizen Participation," JAIP, Vol. 35, No. 4, July 1969, pp. 216-224*

# What does genuine Community Engagement look like?

- Gas Co '**co-designs**' project with key stakeholders including pastoralists
- Blank canvas approach: foster a partnership /collegiate approach
- Respect & protect stakeholders intangibles such as:
  - shared norms of behaviour & values, social /community cohesion;
  - **sense of place** (ie natural & built landscapes that affect resident's sense of identity & place, & level of satisfaction with their surrounds);
  - cultural heritage matters;
  - the things that give meaning to life in district.

# Solutions: Social IA Reform

- **NSW Department of Planning & Environment:**
- *Social impact assessment – Draft guidelines for State significant mining, petroleum production and extractive industry development. December 2016*
- how to better identify, assess & respond to social impacts of major resource projects as part of the overall enviro impact assessment.
- **Reform to drive better social outcomes, give communities a stronger voice, from project design through to post-approval.**

# Natural Science Issues

- **Water for fracking**
  - Source - surface/ground
  - quantities required
  - impacts on existing uses
- **Production water management post fracking**
  - treatment
  - disposal: aquifer 're-injection' – understanding of hydrogeological ramifications
  - beneficial re-use
- **Fugitive methane emissions** – carbon footprint of project (>3.3% leaks makes industry as dirty as coal)
  - wells, pipelines, compressors, pump stations etc
- **Well integrity:** operations, closure, decommissioning
- **Salt management**

# Pastoral Industry & Water

- Sustainable groundwater & surface water supplies vital to sustaining the industry
- Concerns re surface activities on land & risks & liabilities; lack insurance for damages
- **NSP has little confidence gas industry will protect its interests therefore we have no option but to adopt Precautionary Principle & support a ban on unconventional exploration & development, as per Vic Govt decision**

# Solutions: EIA Process Reform

- **NSW Department of Planning & Environment:  
EIA Improvement Project: Discussion Paper October 2016**
- Govt to reform Environmental Impact Assessment process for major projects in response to feedback from stakeholders and the community.
- Improvements aim to **build confidence** in the assessment process.  
Suggested changes:
  - **Drive earlier & better engagement with affected communities;**
  - Improve the quality & consistency of EIA documents;
  - Develop a standard approach for applying conditions to projects;
  - Strengthen monitoring & reporting on project compliance;
  - Improve accountability of EIA professionals.

# Solutions: EIA Process Reform

- Amend NT assessment law so mandates Ecologically Sustainable Development (ESD) approach
- not allow approvals based on *'in the public interest'*. Simply code for short term economic development (ie jobs)

# Approvals & Compliance Management

- Explicit & performance based consent conditions. No 'wriggle room'
- Regulators: decent staffing levels so can do job properly
- Heavy penalties for non-compliance
- Performance & rehabilitation bonds – closure/post closure management

# Conclusion

- Level the playing field: allow all a voice
- Priority to social sciences
- Given little trust, support a ban
- Reform EIA process: little trust in current docs & how determined by Govt
- No gas 'crisis': govts & companies **chose** to send overseas instead of providing the domestic market



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