



Darwin – United Voice

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Darwin Convention Centre, Darwin

Speakers: Pat Honan

Pat Honan: No worries, I'm Pat Honan and I'm representing United Voice.

Justice Pepper: Thank you.

Pat Honan: Erin Early, the Secretary of the United Voice sends her apologies, she's unable to make it today as she's interstate on other business.

Justice Pepper: Thank you.

Pat Honan: I've got a written submission, which also, my presentation today will be a verbatim spoken version of that. So anything that I've missed due to it being long or unclear, I apologise, but it will be in the written submission.

Justice Pepper: Thank you very much.

Pat Honan: No worries. So as I'm representing United Voice, I'd like to thank the Chair, Justice Pepper and the panel members for having me here today. I'd like to thank you for the opportunity to allow members' concerns with the hydraulic fracturing industry in the Northern Territory to be heard.

United Voice is one of the largest and oldest trade unions in the Northern Territory. We've actually had three iterations throughout the years. We've been the NAWU, the North Australian Workers Union, and the Liquor Hospitality Miscellaneous Union before our current iteration as United Voice. We were formerly covering all of the industries in Northern Territory, bar one or two but we've now been segmented out to represent a range of miscellaneous industries, such as mining, paramedics, aboriginal health practitioners, grounds staff, housekeeping, hospitality workers, early childhood educators, council workers, prison officers, and various public sector workers.

So I've got a pretty big purview and our members have a range of views on this as you no doubt, will understand.

A large proportion of our membership identifies with Aboriginal and Torres Strait Islander as well from various nations across the Northern Territory and interstate.



United Voice does not support unconventional hydraulic fracturing or related activities in the Northern Territory and we remain unconvinced by the arguments of Apia, individual gas and mining companies and local media sources.

Following this brief introduction, I'll detail some major issues that our members have brought to our attention around unconventional hydraulic fracturing and related activities such as the pollution of aquifers, managing environmental degradation, job creation and mothballing of existing services.

So I'll just move straight on. Potential pollution of aquifers ... the recent discovery of the contamination of ground water in Katherine around the Tindal area by run off from firefighting foam, containing Per and ... I'm going to stuff this up sorry, Polyfluoro-alkyl substances, otherwise known as PFAS.

Justice Pepper:

PFAS

Pat Honan:

Right ... has shown first hand how Commonwealth Northern Territory Governments deal with groundwater contamination in the Northern Territory. While the longterm effect of PFAS exposure is currently unknown, PFOA, one of the chemicals used in the firefighting foam, is classified as class 2B, possibly carcinogenic to humans.

More than 40 affected Katherine residents are being supplied with bottled water through a defence department offer while an investigation and further testing is carried out in the groundwater by the NTEPA and blood testing offered to affected residents by the department of defence is currently delayed as I understand it.

This contamination incident has highlighted two issues concern to United Voice: the response of the NT government has been muted. While this appears to be a small scale issue affecting only a few communities in the Northern Territory, the NT government has offered no substantial solution to the affected residents. The response from the Commonwealth appears to have been a reactive bandaid solution of providing bottled water to the affected residents. This solution is unsustainable, expensive and an unreasonable burden on residents.

United Voice believes the response to the PFAS contamination in Katherine by the Commonwealth and NT Governments, appears to be limited in scope and appears to show no specific interest in the health of residents or the environmental damage that could possibly result from this contamination.

United Voice has serious doubts that the NT Government would be capable of managing the potential contamination of a large aquifer by unconventional hydraulic fracturing or related activities.



Additionally, United Voice does not believe the NT government alone will be able to adequately compensate communities and residents who may be affected by this possible contamination.

United Voice expects a fully costed and comprehensive remuneration scheme developed for residents and communities affected by polluted groundwater as a result of unconventional hydraulic fracturing and related activities. It's the belief of United Voice that this scheme should also necessitate a level of funding from gas and mining companies that would undertake conventional ... sorry, unconventional hydraulic fracturing in the Northern Territory as these organisations would be responsible for any potential contamination.

The next section is managing environmental degradation. United Voice has doubts regarding the ability of the Northern Territory and the Commonwealth Governments to effectively prosecute organisations responsible for environmental degradation by unconventional hydraulic fracturing and related activities.

The NT Government has a poor track record in holding corporations accountable for environmentally-damaging mining operations. McArthur River Mine near Borroloola is an example of such a failure by the Government with the planning and execution of a shut down period planned over 100 years ... sorry, is planned over 100 years with an additional and, in our opinion, absurdly generous 1000 year monitoring period. This information has been pulled from the environmental impact statement produced by Glencore recently. I've attached that as an attachment in our submission.

United Voice is unconvinced that miners seeking to establish unconventional fracturing wells, would be deterred by threats to the environment as Glencore is clearly not deterred by their continued operation with McArthur River Mine.

The Commonwealth Government appears to be similarly unable to prevent companies from establishing environmentally-damaging projects through the mandatory environmental approval process. One of the countless examples in recent history is the 2000 irrevocation of the approval of the Adani Carmichael mine in Queensland. The mine site, threatening the habitat of the Yaka Skink and the Ornamental Snake, required a court order to create proper and effective monitoring guidelines for the two species, which had been overlooked in the initial environmental approval.

United Voice feels this lack of proactive foresight taken by the Commonwealth Environment Minister, is indicative of the attitude of the current Commonwealth Government in relation to environmentally-damaging mining operations in general. The Northern Territory Government's poor track record in environmental issues caused by mining operations and the apparent unwillingness of the Commonwealth Government to properly examine environmental threats, are concerning.



United Voice is uncertain that proper monitoring and effective remediation of environmental damage caused by unconventional hydraulics fracturing and related activities will be carried out by either body.

I'm just going get a glass of water, sorry.

Justice Pepper: Oh please do, please do.

Pat Honan: Alright, moving on to job creation, which is probably a bit more in our purview as a union. United Voice has doubts regarding the quantity of jobs to be created by a hypothetical, unconventional hydraulic fracturing industry in the Northern Territory.

The Australia Institute's report 'Fracking the Future' illustrated disparity between jobs that have been modelled to be created by the CSG industry and the actual jobs created by gas projects and in supporting services throughout establishment and operational phases of CSG operations.

Whilst CSG and shale gas extraction are two separate processes, it would be unrealistic for any stakeholder in the gas industry, to state that shale gas extraction would employ substantially more workers than a CSG extraction project.

United Voice took specific issue with the concerns raised in the report that the gas industry appears to inflate numbers of jobs created by CSG projects by utilising deceptive or wildly optimistic modelling ... modelling, sorry.

United Voice believes that a similar method of modelling is promoted by the gas industry in the Northern Territory. A recent story in the NT news cited thousands, in air quotes, of jobs at risk through the unconventional hydraulic fracturing moratorium continuing to be in effect.

A recent Northern Territory government Snapshot report entitled 'Northern Territory Economy Quick Facts, March quarter 2017', reports that the mining and energy sector currently provided 4.6% of resident employment in the year previous, somewhere between 6000 and 6500 workers. FIFO workers, fly-in fly-out workers, are discounted in these figures. Based on these numbers, 'Fracking the Future' ... sorry, based on these numbers and 'Fracking the Future', United Voice believes that Apia's claims of thousands of jobs being created by an unconventional fracking industry in the Northern Territory, are exaggerated. The indeterminate amount of jobs created by the unconventional hydraulic fracturing and related activities in the Northern Territory, appear to be more weighted towards specialists rather than unskilled labour. United Voice is unconvinced that if the moratorium on unconventional hydraulic fracturing is lifted, that the jobs created would benefit Territory workers. United Voice instead expects that the industry will rely heavily on FIFO labour to meet the inevitable skills shortage that the establishment of the industry would bring.



And the last section is 'Mothballing of Services'. United Voice has doubts reading the lifespan of any unconventional hydraulic fracturing projects established in the Northern Territory. Domestic gas production, like all non-renewable resources, is a product of finite economic lifespan. This finite lifespan and the current global gas production expansion, raised concerns about mothballing of the industry due to economic downturn, which the Northern Territory has seen on more than one occasion in the mining industry. The mothballing of the Gove alumina refinery is a recent example causing a severe backlash for those employed in the refinery and those living in Gove.

United Voice does not believe that the NT government properly managed the process of the mothballing, ultimately damaging the economic prospects of the residents of Gove. If the gas industry employs even close to the numbers of the workers stated by Apia, the economic backlash on those workers would be severe if a downturn occurred. To put that into context, there were about 1000 workers in the Gove refinery and I'm assuming there'll be more in thousands, in air quote. Economic ... sorry. United Voice is also uncertain that the Northern Territory will be properly buffered against the economic damage of this sort of downturn. Western Australia's handling of iron ore exports following the mining boom, is an example of mismanagement of resource-driven prosperity. The downturn resulted in large scale redundancies and sackings, a two billion dollar budget deficit, the stripping of WA's triple A credit rating and a wide scale economic devastation for regional areas.

United Voice believes that a similar sort of downturn would affect inordinately the much smaller population of the Northern Territory.

Finally, United Voice is unconvinced that the unconventional hydraulic fracturing industry would be able to effectively monitor mothballed services. The Northern Territory Government must ensure that gas and mining companies, effectively manage mothballed services to prevent degradation of fracked wells or leakage in capped wells. Additionally, a robust penalty for those companies who are responsible for economic damage related to mothballed wells, must be established and enforceable. United Voice believes that the NT government allows gas and mining companies to forego responsibility ... oh sorry, I'll just start that again if that's alright.

Justice Pepper: Sure, sure, of course.

Pat Honan: United Voice believes that if the Northern Territory Government allows gas and mining companies to forego responsibility for mothballed services, it would cause great damage, economically and environmentally to the Northern Territory.

In closing, United Voice believe that the NT government and the Commonwealth Government are unwilling or unable to provide a sufficient level of environmental, industrial or economic scrutiny and protection to



allow onshore unconventional hydraulic fracturing to occur in the Northern Territory.

United Voice also believes that the gas industry is exaggerating the employment figures that are modelled for a prospective onshore hydraulic fracturing industry to be established in the Northern Territory.

United Voice finally believes that if onshore unconventional hydraulic fracturing is allowed to operate in the Northern Territory, the potential costs to the economy, the environment and employment, vastly outweigh the benefits and as such does not support the establishment of an onshore unconventional hydraulic fracturing industry in the Northern Territory.

Thank you

Justice Pepper: Thank you very much. I must have misheard, did you say that one of the groups of workers that you represented was mining?

Pat Honan: Yes.

Justice Pepper: Alright. Thank you. Any questions? ... Yes, Professor Hart.

Professor Hart: Just your last point, if I understood you correctly, you were saying that United Voice's concern at the NT and Federal Government's ability to adequately scrutinise a new industry. Can you just expand on that? What's your basis for saying that?

Pat Honan: Scrutiny, would that be in my closing statement?

Professor Hart: It was pretty much the last statement

Pat Honan: Okay

Professor Hart: That was the way I interpreted it.

Pat Honan: Right. It would probably be more to my points earlier about the monitoring and the economic remediation of land that we've seen so far with mining projects in the Northern Territory. As we are the mining union, we have quite a lot to do with regional areas and miners specifically. We have quite a lot of experience with improperly remediated mines and very environmentally-damaging resulting ... or results from mines that have continued to operate in a ... I'm not sure what the right term would be ... unregulated way, possibly. It's something that we really don't want to see happen further and these are serious concerns that we've got.

Professor Hart: Okay. I got that point.

Pat Honan: Yep



- Professor Hart: I thought though that the last point you were looking at, I suppose the authorization of a new industry, shale gas industry and I thought that you were suggesting that NT and Federal Governments ... you didn't think, I suppose, think they robust enough processes for establishing a new industry. Did I get that wrong?
- Pat Honan: I'd agree with that. I was speaking hypothetical. It was a hypothetical industry, that if it was to be established, we believe that the Commonwealth and the Northern Territory Government do not have the capability to affectively monitor or remediate.
- Professor Hart: Right.
- Justice Pepper: They may not have the capability now and I'm not saying they do or they don't for the purpose of this question, but could you envisage a scenario where they did?
- Pat Honan: I don't know, I'm not in government.
- Justice Pepper: No fair enough, fair enough. What, again, if the government decides to lift the moratorium, what would you like to see in place by way of regulations, and I'm only speaking broadly here to provide greater certainty, if not, transparency in relation to rehabilitation?
- Pat Honan: I don't think I'd be able to answer that one immediately as I'm only representing our memberships concerns. I could take that on notice and consult with our membership.
- Justice Pepper: Absolutely.
- Pat Honan: No worries.
- Justice Pepper: Thank you very much
- Pat Honan: Would I be able to receive a copy of that question?
- Justice Pepper: Yes, yes I'll catch up with you afterwards, yes.
- Pat Honan: Thank you.
- Justice Pepper: Yes, Dr. Beck.
- Dr. Beck: I appreciate your ... the United Voice's expression of concern about the development of the industry and you saying that there's no net benefits compared to the damage. I respect your views on that. In terms of United Voice, there is a net loss of people out of the Territory, people are leaving the Territory. So where does United Voice see opportunities for employment growth in the future, if it's not in the mining or the gas industry because of your concerns about that, so where is the growth?



- Pat Honan: I'm afraid I won't be able to answer that one Dr. Beck. We are not an employment creation organisation, we represent existing employees. I wouldn't be able to hypothesise about future industries.
- Dr. Beck: Okay fine thank you.
- Justice Pepper: Yes, Professor Priestley.
- Prof Priestley: In your closing statement, you're quite specific about your opposition to the development of onshore gas industry. Do I take that to mean that you are not as concerned about the development of the offshore gas industry? Or is that an incorrect assumption?
- Pat Honan: I believe this inquiry is about onshore fracturing. I would probably have to take that on notice for offshore. These are only for onshore as the inquiry's title specified I talk about that.
- Prof Priestley: Thanks
- Justice Pepper: Anyone else? Yes please Dr. Anderson
- Dr. Anderson: Does United Voice represent the onshore industry workers too?
- Pat Honan: They would be considered as mining workers, I believe, so we would have coverage.
- Justice Pepper: So they would not have coverage?
- Pat Honan: No, we would have coverage.
- Justice Pepper: Would have coverage, alright.
- Pat Honan: Sorry, would you like me to give a bit of context to why we represent miners up here?
- Justice Pepper: Yes please
- Pat Honan: Because I think were the only branch of our union across Australia that does actually represent miners. It's a holdover from the NAWU days when we represented, as I said, all employees across the Northern Territory, bar very few specific industries that were mainly trade-based. The maritime workers would be a prime example of that. We ... when the demarcation happened in the early 70s, late 80s and early 90s, most of our membership shifted away into their separate constituent unions. We, however held onto a bunch of other industries that we don't have coverage of elsewhere, mining being one of them and also the public sector. Not all the public sector, there are certain segments in the public sector such as the prison officers, that we have coverage over. That would be why, I suppose, we have a vested interest in any onshore mining activities whatsoever, inclusive of the fracking industry.



- Justice Pepper: Thank you. Yes, Dr. Smith
- Dr. Smith: Quick question, what would be the proportion of your membership that would come from the resource industries, from mining and oil and gas? Just trying to understand how you've reached the conclusions that you have with that membership coverage.
- Pat Honan: I wouldn't be able to give a specific breakdown as the numbers, I believe, are classified. I may be able to give you a breakdown on notice from our secretary. I wouldn't be able to release our membership figures though. I will say they're not insubstantial. We do have a fairly large chunk of our membership from mining.
- I'm sorry, but also could I just add a last point to that?
- Justice Pepper: Yeah, please
- Pat Honan: As we do have coverage of other industries outside of mining that are also affected mainly by what I've spoken about here, we believe that even if it's not a mining-direct and economic issue, it clearly is an environmental one, which as all of our members know, affects them directly or indirectly living in the Territory.
- Justice Pepper: What certainly would be useful, perhaps, going forward from the inquiries point of view is, again it's up to the Government to decide whether or not to lift the moratorium, but if it does lift the moratorium, one of the things we have to have regard to is the social impact of this industry and that would obviously include things like, again leaving aside what you've submitted in relation to job creation figures, how best to regulate an industry, that as you've said, would involve, at least in part, FIFO workers, things like that. We would certainly be assisted going forward by some potential recommendations or ideas whether it be through, as I said, regulation of the types of workers that would be employed by the industry, how best or better to regulate any potential environmental damage or better ensure that rehabilitation does take place through bonds or [inaudible]. We'd certainly, again, be very appreciative of whatever ideas or recommendations United Voice could provide to the inquiry going forward. Perhaps you could take that on notice.
- Pat Honan: No worries, thanks Justice.
- Justice Pepper: Otherwise, thank you very much for your presentation today.