



Position Paper – Fracking

The Northern Territory Farmers Association is the peak body for the plant-based Industries in the Northern Territory.

Northern Territory farmers rely on our unspoilt land, water and air assets to grow high quality produce for local, interstate and international consumers.

The NT Farmers Association supports economic growth opportunities for rural and remote regions of the Northern Territory.

The NT Farmers Association acknowledges that hydraulic fracturing for onshore gas reserves could have a significant positive economic impact for vast areas of the Northern Territory, but we are extremely concerned about the potential for environmental damage to our land and water assets if there are regulatory or operational failures as part of the hydraulic fracturing process.

Agricultural activities have provided and will continue to provide long-term ongoing development opportunities for rural and regional areas of the Northern Territory. This long-term benefit should not be undermined by environmental damage that could result from poor regulatory or operational practices associated with hydraulic fracturing.

There will be no second chance for our most vital asset (water) if there are well or process failures that result in chemical contamination of our water resources.

The Northern Territory is currently viewed nationally and internationally as being a “clean and green” region, with no environmental issues to impact the quality of our produce. This must be protected if we are to grow our scale of production and market opportunities.

Water underpins all agricultural activity and without a good quality, clean resource that is of a high reliability, we have nothing.

Hydraulic fracturing for on-shore gas production should be excluded from all areas where the drilling or operational activities of the fracturing process have the potential to impact any key irrigation water source.

We would like to see the establishment of NO GO ZONES across key regions of the Northern Territory that would exclude hydraulic fracturing activities now and into the future. These NO GO ZONES would protect key areas (urban, rural, agricultural, horticultural, tourism, cultural, biodiversity etc) for the current and future benefit of Territorians.

With stringent regulation and substantial environment related security bonds and royalty payments that would benefit the Territory, there may be the option to create a limited number of GO ZONES for hydraulic fracturing in areas of the Northern Territory that present a good opportunity for the target resource as well as having limited water dependent activities, communities or ecosystems located in those zones.

Water used in the hydraulic fracturing process by the on-shore gas industry should come under the same regulating and allocation processes as other commercial users of water. This will be predominantly ground water in central NT which is a scant resource. Where possible water should be sourced from deeper non-potable aquifers and not impact on the finite amount of potable water.



All waste water generated by the process, should be collected, treated and recycled to minimize environmental impact.

NT Farmers believe that there are significant levels of uncertainty in relation to a number of risks associated with the hydraulic fracturing process and that due to these uncertainties a cautionary approach needs to be adopted in the formation of a regulatory framework for the industry.

We are constantly told of the many benefits that the on-shore gas industry will provide to the Northern Territory economy, but this needs to be balanced by the significant economic benefit that farmers and other rural and remote businesses already contribute to the Territory economy and will continue to offer into the future.

In recent times we have seen significant impact on property pricing and questions being asked in relation to fresh produce integrity as a result of the widening PFAS contamination crisis. The PFAS group of chemicals has in the past been used extensively in firefighting foams used by both civilian and defence force firefighters around Australia. These chemicals have now leaked into soils as well as surface and ground water resources.

In the Northern Territory these chemicals have now been detected in soil, fish, shellfish and many water sources.

The PFAS contamination has caused one of Australia's major banks to review their lending practices in areas potentially impacted by the chemicals. This review has the potential to collapse property values in effected areas and destroy many local economies that support rural and regional Australians.

While there is no direct link between PFAS chemicals and the hydraulic fracturing process, we would simply like to highlight how chemical contamination of our water resources by any chemical has the ability to impact our industry and potentially destroy a community.

The Northern Territory Farmers Association on behalf of its members is urging a cautionary approach to future policy and regulatory framework development, that will govern on-shore gas production.

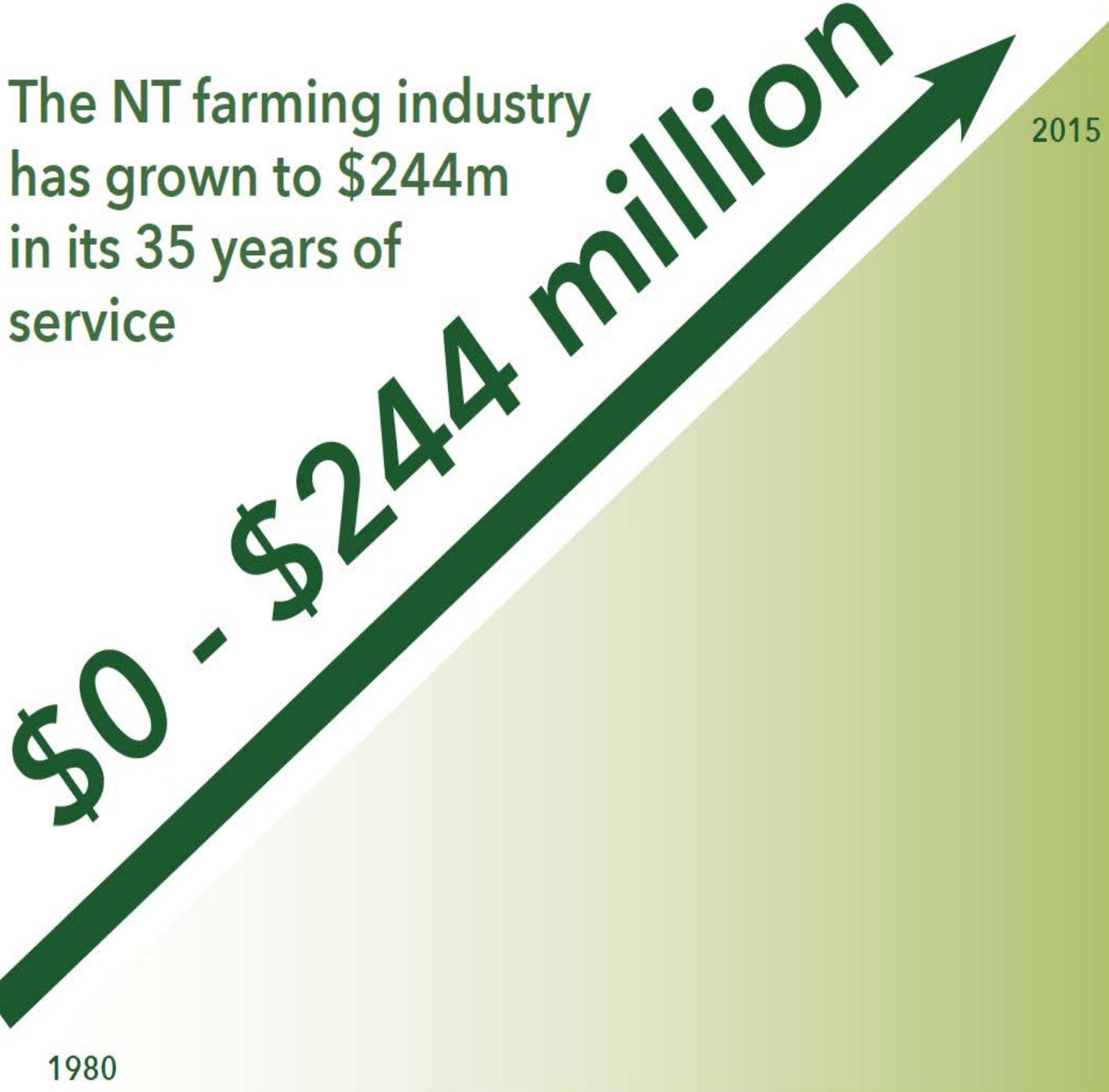
While we understand the need to look for future economic drivers for our economy, our current industries that are the backbone of rural and regional areas throughout the Northern Territory must not be forgotten.



NT Farmers Association



The NT farming industry has grown to \$244m in its 35 years of service



LABOUR

\$80

Million

Total in wages

PACKAGING

12.5

Million

Worth of packaging

FREIGHT

5,000

Vans transported south annually to the value of

\$25M

\$48M

in other inputs

- fertilisers and chemicals
- irrigation supplies
- vehicles
- equipment
- fuel and power
- communications
- electricians
- welders
- mechanics
- accounting services
- insurance

Mangoes \$80 - 90 million



Melons \$50 -60 million



Nurseries \$10 - 15 million



Fodder \$15 - 20 million

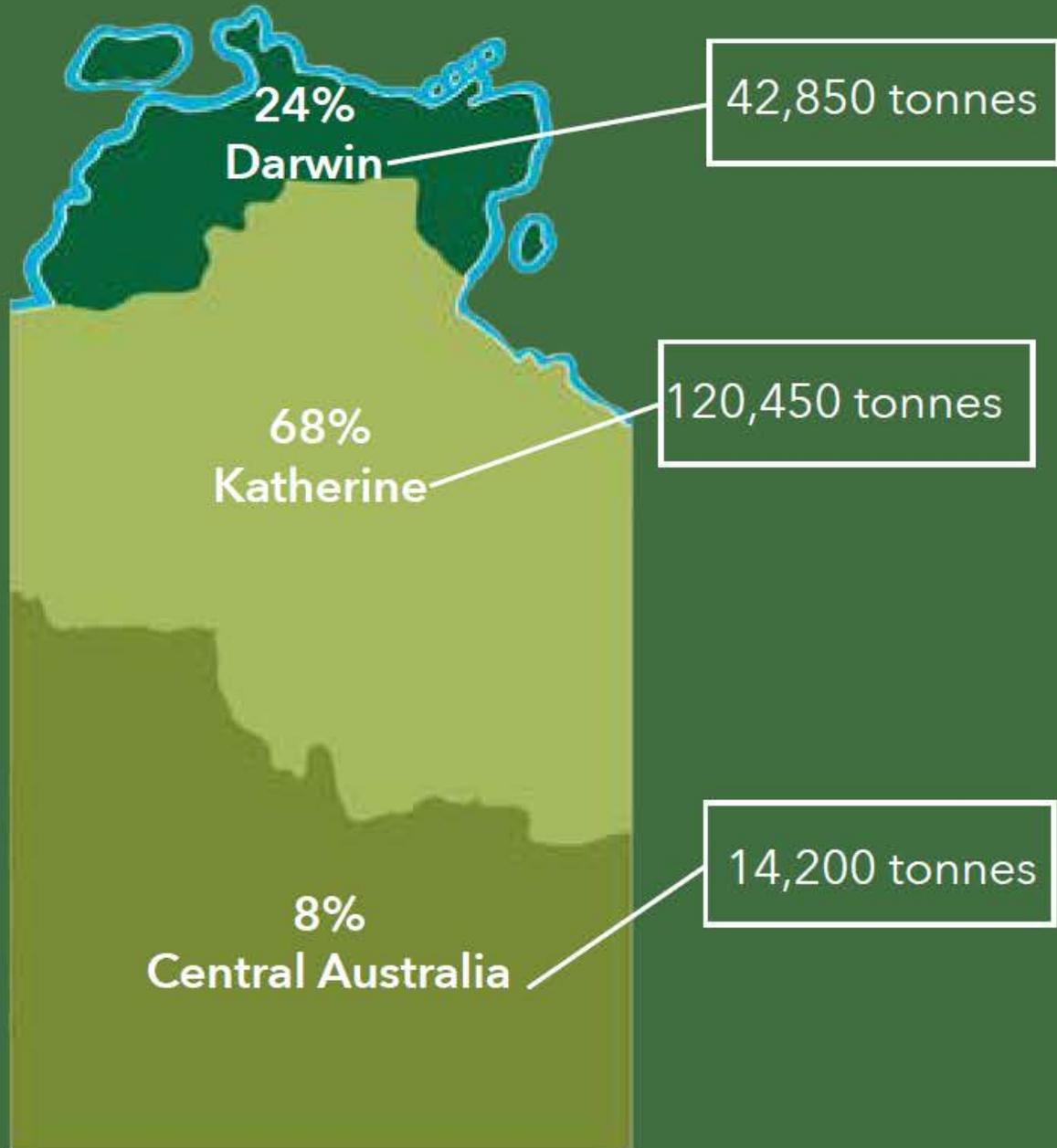
Asian Veg \$20-30 million



Minor crops \$1million



Regional Production



- The total tonnes produced for 2015 is estimated at 97,500 tonnes from horticultural production and 80,000 tonnes from grain fed hay productions.
- The total estimated area of production is 8,700ha of irrigated horticultural crops and 20,000ha grain fed hay production.
- Mangoes and melons are the largest producing crops in the NT.
- Almost all the 97,500 tonne production is sold interstate.
- Most export of the NT production is through the main southern markets.

4. Shale deposits in the Northern Territory

The location of the Northern Territory's known and potential shale gas resources is shown in Figure 7.

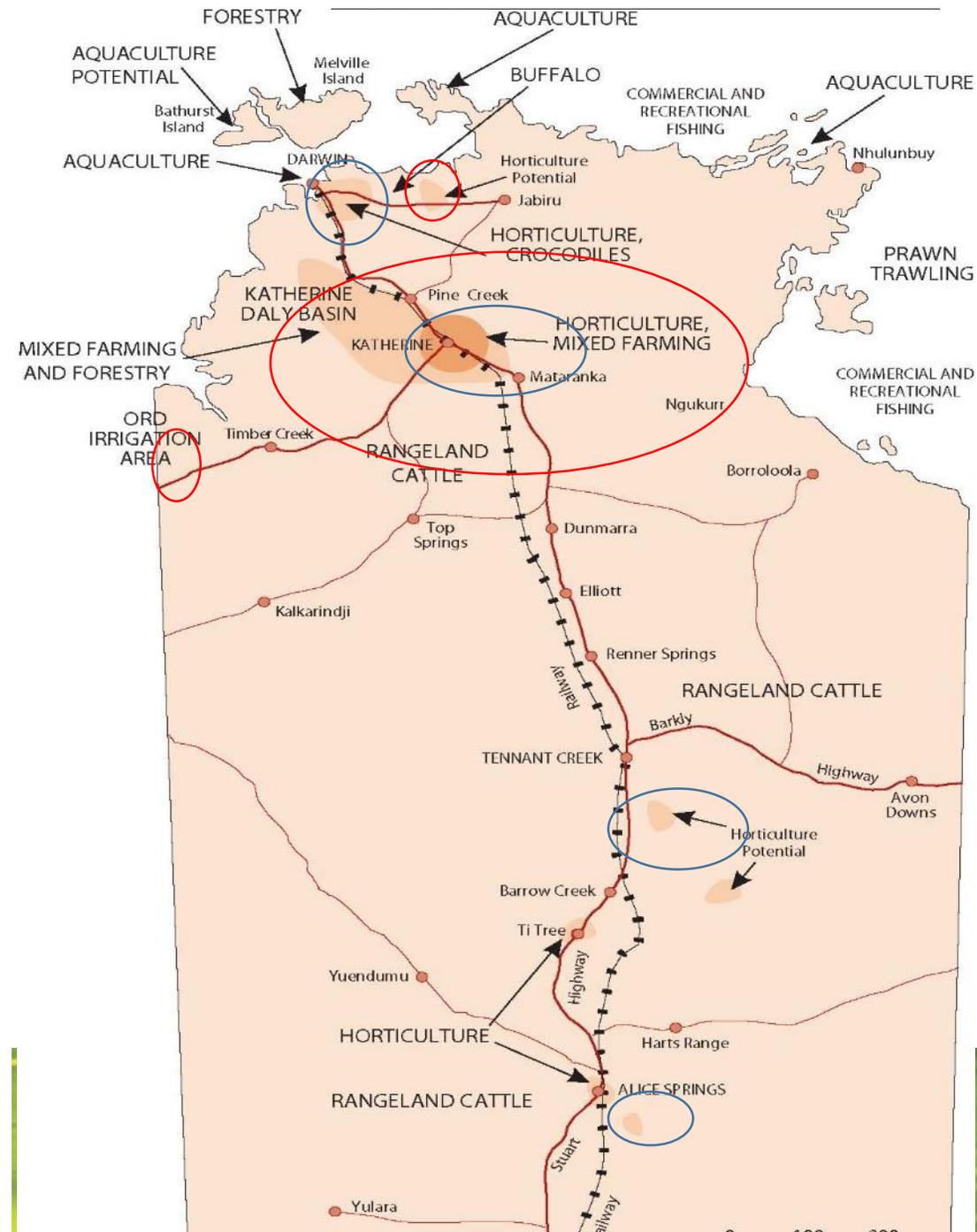
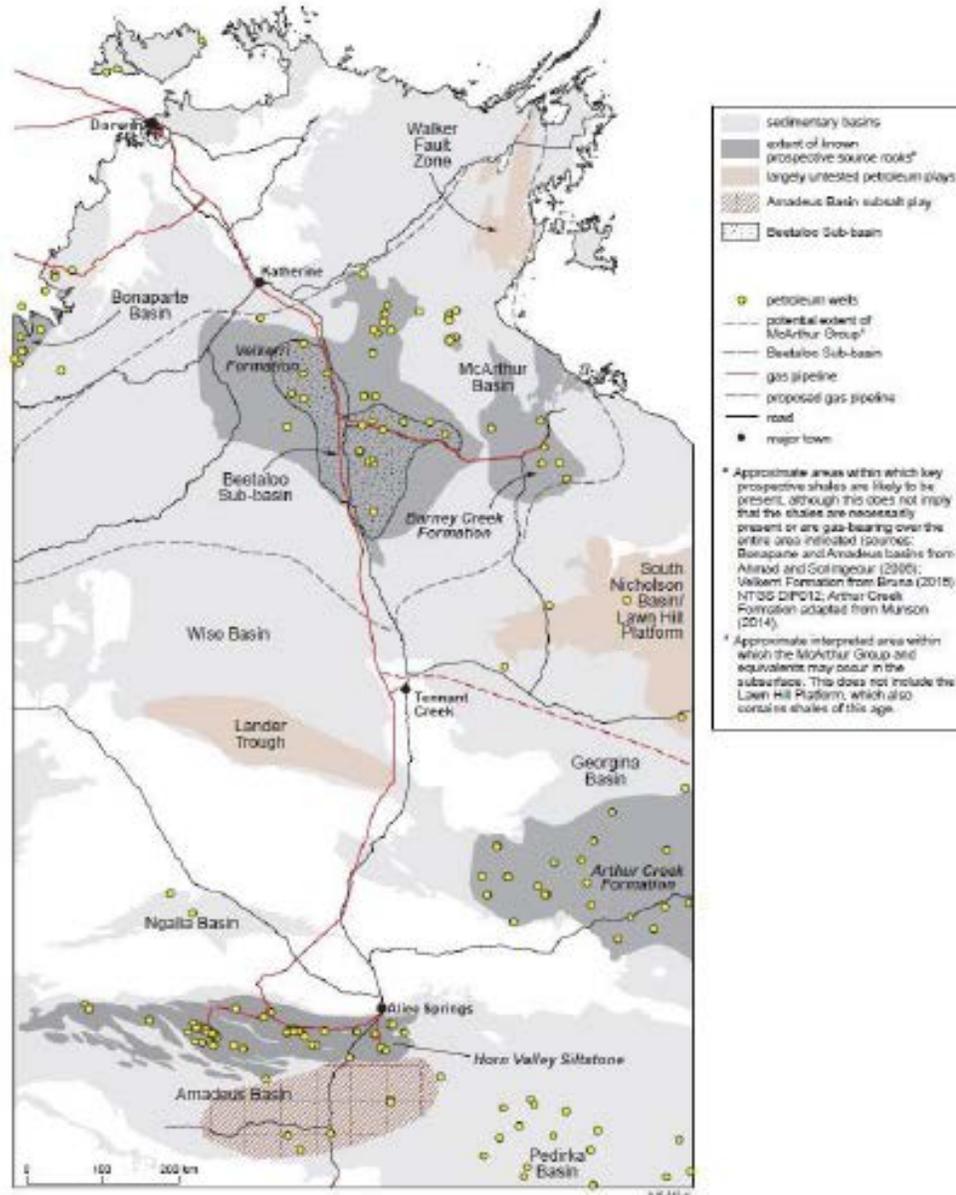


Figure 7: Shale gas resources and potential. Source: Modified from the Northern Territory Government



NORTHERN AUSTRALIA
FOOD FUTURES

NT FARMERS

Key Points from NT Farmers

- Establish NO Go Zones across key agricultural and horticultural production and identified prospective precincts
- Existing high value horticulture relies on high-volume clean ground water resources which are limited in the NT
- Limited areas of Go Zones where there would be minimal impact on Primary Industry from operational or regulatory failures
- All commercial uses of water should be subject to the same allocation and regulatory regimes





NORTHERN AUSTRALIA
FOOD FUTURES

NT FARMERS



- Agricultural and Horticultural development is regional, long-term, environmentally sustainable, growing year on year and should not be risked
- In 2015, an estimated 423 full time and 3,896 casuals employed, or 1,217 FTE's
- Our image of clean, safe food products must be maintained
- Above all, need to take a **cautionary approach** as damaged aquifers have already been shown in the NT to have a long term social and economic impact.