



QUEENSLAND FARMERS' FEDERATION

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Submission

30 June 2022

Regulatory review of CSG-induced subsidence
Gasfields Commission Queensland
PO Box 15266
CITY EAST QLD 4002

Via email to: enquiries@gfcq.org.au

To Whom It May Concern

Re: Regulatory review of CSG-induced subsidence

The Queensland Farmers' Federation (QFF) is the united voice of intensive and irrigated agriculture in Queensland. It is a federation that represents the interests of 21 peak state and national agriculture industry organisations and engages in a broad range of economic, social, environmental and regional issues of strategic importance to the productivity, sustainability and growth of the agricultural sector. QFF's mission is to secure a strong and sustainable future for Queensland farmers by representing the common interests of our member organisations:

- CANEGROWERS
- Cotton Australia
- Growcom
- Nursery & Garden Industry Queensland (NGIQ)
- EastAUSmilk (formerly QDO)
- Australian Cane Farmers Association (ACFA)
- Turf Queensland
- Queensland United Egg Producers (QUEP)
- Queensland Chicken Meat Council (QCMC)
- Pork Queensland Inc
- Bundaberg Regional Irrigators Group (BRIG)
- Burdekin River Irrigation Area Irrigators Ltd (BRIA)
- Central Downs Irrigators Ltd (CDIL)
- Fairbairn Irrigation Network Ltd
- Mallowa Irrigation Ltd
- Pioneer Valley Water Cooperative Ltd (PV Water)
- Theodore Water Pty Ltd
- Eton Irrigation Scheme Ltd
- Lockyer Water Users Forum (LWUF)
- The Carbon Hub
- Queensland Oyster Growers Association (QOGA)

QFF welcomes the opportunity to provide comment on the regulatory review of Coal Seam Gas (CSG) induced subsidence. We provide this submission in consultation with but without prejudice to any additional submission from our members or individual farmers.

The united voice of intensive and irrigated agriculture



The Arrow Energy CSG development across the Condamine floodplain falls within Priority Agricultural Area land is causing concern for a number of landholders in relation to potential future risks of subsidence that could impact individual farms and the regional landscape more broadly. This particular area of land is made up of rich alluvial clay soils and home to some of the most productive agricultural land in Queensland. This is high value intensively farmed priority agricultural land with land and water resources that are not only important to the local community but to the Queensland agricultural sector.

Many landholders are concerned that the potential future impacts of CSG-induced subsidence may have damaging and negative impacts in the future on farming practices, productive capacity, land values and incur a high cost of remediation and additional pressures on landholders.

It is important that farming enterprises in the area are protected by a framework that provides a clear pathway for impact assessment, determination and dispute resolution for all landholders who may become materially impacted by CSG-induced subsidence. The existing framework is fragmented, confusing and does not adequately protect the landholder from the future risks. QFF supports the Gasfields Commission Queensland (GFCQ) in undertaking this review as a step towards the development and implementation of a more effective framework that articulates a clearly defined pathway that is easy for landholders to access and ensures that they are protected in the case of future impact or loss.

Review Questions

1) Do you think the existing regulatory framework effectively manages CSG-induced subsidence? If you do not think the existing frameworks effectively manage CSG-induced subsidence, in your opinion what enhancements should be made?

QFF does not believe the existing regulatory framework is adequate in managing CSG-induced subsidence. The existing framework is fragmented and confusing with multiple legislation and government agencies applying to various aspects which adds to the confusion. The reactive way in which much of the existing framework has been developed goes a long way in explaining the piecemeal legislative environment that has resulted. Interpretation of the current framework places the onus of proof on the landholder to have to prove any claims of CSG-induced subsidence which may occur in the future.

The current framework promotes a power imbalance between large resource companies and much smaller farming entities. In addition, it does not provide a level playing field in relation to protection or pathways and inequities and inconsistencies exist depending on whether the landholder hosts above ground CSG infrastructure, deviated wells, is located within or outside the tenure area.

The framework does not adequately acknowledge that the CSG development has imposed upon and has not been requested by the landholder. As such, QFF believes the onus must sit with the resource company to ensure the landholder is not disadvantaged and managing any impacts should be at no cost to the landholder. The current framework does not adequately provide this protection to landholders in relation to future CSG-induced subsidence.

QFF believes that a statutory framework is required that ensures protection for landholders in the instance that CSG-induced subsidence occurs and has an economic impact on farms where the agricultural land use is placed at risk from potential subsidence impact. This would typically be intensively farmed, precision agriculture land use.

The framework needs to ensure that all landholders are protected by any future CSG-induced subsidence impact on farm and there should be no distinction between whether the landholder hosts above ground CSG infrastructure, deviated wells or is located within or outside the tenure area.

The framework needs to cater for changes in future circumstances including providing for a process should the resource company surrender their tenure to ensure the impacted farming enterprise is still appropriately protected. The roles and responsibilities of the various entities (e.g., landholder, state government, resource company) must be clearly defined in relation to assessment, monitoring and management of any CSG-induced subsidence.

In making changes to existing legislation or developing new frameworks, allowance for future and ongoing compensable impacts must be incorporated with acknowledgement that compensation may include considerations such as the loss of income due to impacts, the loss of production during rectification, any undue stress or emotional strain on farmers during the process of ensuring the productive capacity of the land is restored and maintained.

By way of summary, any proposed regulatory framework would require:

- ensuring that make good arrangements allow for the restoration of land to its previous productive state as well as compensation arrangements
- the inclusion of a risk-based approach that allows for the consideration of a point of where the risk is considered too great, and this point can be reflected in the framework
- protections provided for in the framework to be retrospective in nature and cover all landholders deemed to be affected by the gas mining activity
- Clear legal definitions and clarification required in relation to determining an 'affected farm' giving consideration to farms considered to be 'under drilled' and those neighbouring farms who whilst are not considered "under drilled" but are negatively impacted
- Consideration of what the process of assessing impacts 'costs' the farmer and ensuring potential 'unseen costs' such as time out of their farming business, increased stress and potential impacts on mental health etc are acknowledged, defined and considered as 'impact'
- Consideration given to the overall difficulty in determining what the actual 'impact' is and a robust and reliable way in which to appropriately value such 'impact' including the need for both farm scale and regional scale assessments to ascertain the value of 'impact' more accurately and inclusively.

2) Do you think the existing regulatory frameworks are being implemented effectively? What improvements could be made?

The existing framework has been developed in a reasonably reactive and piecemeal way over many years which has resulted in a lack of cohesion and significant confusion for those seeking to understand which legislation or government agency particular aspects or activities are governed by.

The existing frameworks could be improved by a concerted and adequately resourced effort to drive increased coordination and data sharing between government agencies and departments along with the provision of legal interpretation of key aspects of the various Acts to provide clarity to all parties.

3) Do you think stakeholders are aware of the existing framework and the protections afforded to landholders? What would be a more effective and efficient way to provide this information to landholders?

In most cases, landholders are not aware of or familiar with the existing framework until they are approached by or in negotiations with a resource company. There is a considerable knowledge gap across the stakeholder landscape with varying levels of understanding of the framework and what protections are afforded to landholders. Confusion often arises as a result of the different experiences of landholders and stakeholders when dealing with a range of different resource companies as well.

There continues to be a real need for the government agencies, departments and organisations like GFCQ to be active across communities to help inform all stakeholders. A combination of a range of communication materials from fact sheets, videos, interactive websites, face to face meetings and presentations are needed to help raise awareness. Farmers would benefit from having access to a truly independent point of advice to assist them in navigating the existing framework.

4) What do you think of the Commission’s preliminary review findings and principles for reform?

QFF is supportive of the work GFCQ is undertaking to try and resolve the current inadequacies the framework presents in relation to CSG-induced subsidence. The work that the GFCQ has had to put into the discussion paper alone is indicative of how complex, confusing, and unclear the current framework is, supporting the need for reform.

5) Do you have any further suggestions for improvement or amendment to the review findings / principals for reform?

QFF is concerned that the RPIA do not provide adequate protection for Priority Agricultural Land Use and Strategic Cropping Land areas of Queensland, and believes consideration of these important agricultural land use areas must be strongly acknowledged, recognised and considered in any future reforms.

QFF would like to see consideration given to the allowance of a risk assessment process where there is the option that a risk may be deemed too high for development to go ahead in certain circumstances.

QFF also believes that whilst financial compensation must be allowed for, the principal of restoring the productive capacity of the land should underpin future reform considerations. Any future framework must be based on strong modelling, monitoring and management processes. QFF supports the role of the Office of Groundwater Impact Assessment (OGIA) in taking a lead role in modelling and monitoring CSG-induced subsidence.

QFF requests that the draft report and recommendations that result from consultation on this discussion paper go to industry for further consultation before the recommendations are presented to government (this did not occur in the case of the RPI Act review). QFF also believes that any proposed regulatory framework changes to ensure stronger protection for landholders must be retrospective in nature so that no landholder is disadvantaged during this process.

Thank you for the opportunity to provide comment on this regulatory review of CSG-induced subsidence. I look forward to the opportunity for further engagement on behalf of QFF and members on this important issue.

Yours Sincerely

Ms Jo Sheppard
Chief Executive Officer