

STANDING UP FOR AGRICULTURE

WHY FARMING AND FRACKING SHOULDN'T MIX

**LOCK
THE GATE**

The unconventional gas industry has been threatening the Mid West and Wheatbelt regions of Western Australia for more than a decade, but community pressure has held it at bay. Lock the Gate, and various other community organisations, are working alongside local landholders and communities to keep WA frack free.

Agriculture has and will continue to be a productive industry for Western Australia and the nation. On the global stage Australia is well known for its clean, green image when it comes to our fresh produce. We have extensive market garden areas on the fringes of Perth that are continually spreading deeper into the regions, while in the Wheatbelt and Mid West, we have groundwater dependent, rich agricultural zones. Without them, people in the city would lack access to fresh, WA grown produce. It is this that could be lost, should industrial fracking gasfields be allowed to expand across the region.

Land use

Cereal crops, grain, and livestock dominate the farms located in the Wheatbelt and Mid West, with increasing horticulture, viticulture, and feedlot ventures. There are also national parks, reserves, beekeeping businesses, significant Aboriginal cultural sites, water catchment areas, towns, mineral sands, and substantial renewable energy projects.



From just 80km north of the Perth CBD, to as far as Geraldton, there is around 15,000km² of land currently at risk.



Productivity

The Coastal Midlands and Central Midlands areas of the Wheatbelt are some of the most productive agricultural and horticultural areas in Western Australia. The region is also known for tourism and livestock.

Snapshot of Agriculture Value in WA

Data source: Wheatbelt Development Commission



Agriculture in the region consists of perennial and annual crops including, wheat, barley, canola, oats, lupins and peas, of which 80-90% are exported to more than 50 countries. Perennial grasses are also grown for pasture and ground cover. See chart for a snapshot of the agriculture values in various regions. Agriculture is worth over \$4.6 billion in Western Australia.¹

Horticulture in the region consists of various fruits, vegetables and viticulture. Fruits grown include avocados, citrus, mangoes, stone fruits, olives, table grapes, and wine grapes. Vegetables, unlike fruits and grains, are predominantly grown for local consumption and include potatoes, carrots, leafy vegetables, broccoli, peas, pumpkins, tomatoes, and onions. Horticulture in Western Australia is worth \$909 million with export worth \$119 million.²

Livestock forms a large part of the productivity of the area with cattle and sheep grazing, pig and cattle feedlots, poultry and even a camel dairy. The livestock industry is worth almost \$9.7 billion in Western Australia with exports of almost \$1.3 billion³. Much of this is from the Mid West and Wheatbelt regions, the value is only set to grow if the industry is given the chance.

The combined value of agriculture, horticulture and livestock in Western Australia is over \$15.2 billion.

Jobs

Farming industries currently employ approximately 320,700⁴ people, which significantly outweighs the jobs in the oil and gas (petroleum) sector at 15,640.⁵ **For every one job in oil and gas, there are 20 in farming.**

Tourism is also a significant contributor to jobs with more than 94,000 employees.⁶ More long-term jobs are at risk if the oil and gas industry, with its largely short-term employment, is able to set up in our prime farming areas of the Wheatbelt and Mid West. A 2015 Queensland study of employment on the Western Downs found that 18 agricultural jobs were lost for every 10 people employed in the unconventional gas industry.⁷



FOR EVERY ONE JOB IN OIL AND GAS THERE ARE 20 IN FARMING



Risks

The fracking industry has been proven to be incompatible with agricultural ventures that require groundwater. This has been demonstrated around the world, including in Queensland, where the industry has been allowed to run rampant across the fertile soils of the Western Downs. Farmers there are forced to deal with constant noise from heavy machinery, light pollution due to the flaring of excess gas, and depleted groundwater levels due to the intensity of the industry.



In the Northern Territory, Origin has suggested that it will require 50-60 million litres for drilling and fracture stimulation per well in the Beetaloo Sub-basin, based on a 20-40 stage hydraulic fracturing program.⁸ Longer and more intense droughts are already impacting existing water supplies in WA. More frequent and intense bushfires in the future will also require large amounts of water for firefighting in these regions. There have also been cases where the fracking industry has contaminated water sources.⁹



A study on landholders in Queensland found that unconventional gas operations placed rural communities under sustained stress, with study participants describing significant impacts on the health, social fabric and economy of local communities.¹⁰ Rural communities in WA already have higher rates of suicide compared to suburban communities and are considered a greater risk of self-harm.¹¹ Droughts and climate vulnerability will lead to additional economic stress. The additional stresses from dealing with the impacts of unconventional gas expansion in the region could be the last straw for some of these farmers.

Financial risks are a real issue when it comes to unconventional gasfields. Properties with unconventional gas infrastructure have been refused loans,¹² and insurers are withdrawing farming insurance for properties with unconventional gas operations. *“Insurance Australia Group has confirmed its major rural and regional insurer, WFI & subsidiary CGU, will no longer provide the coverage if there is “unconventional gas” operations on properties.”*¹³ CSIRO research found that as a direct result of unconventional gas infrastructure alone, Queensland farmers would lose up to 10.9 percent of economic returns.¹⁴

Stakeholders

There are numerous stakeholders such as farmers, agricultural representative groups, Landcare associations, and councils in the region that could work together to protect the region from fracking gasfields.

Regional towns and centres like Moora and Dongara in the Wheatbelt and Mid West, which are under threat from fracking, depend on the farming industry. Councils in the region, especially the Wheatbelt, also rely on farming, including the Shires of Chittering, Dandaragan, Moora, Carnamah, Coorow and Victoria Plains. These councils consistently receive large amounts of revenue (rates) from the farming sector.

Concerns

Farmers and communities across the regions are worried about the short-sighted nature of industrial unconventional gas extraction. There are long-lasting negative effects the gas industry will have on jobs, farming operations, and towns in the region.

The farming industry will always be needed to feed the region and the world. Gas developments risk the productive output and jobs in the farming sector. Potential negative knock-on effects caused by gasfields are much further reaching than the farm gate, they will also affect the grain and food processing facilities, councils, transport and export sectors.

The ever-increasing need for quality food from the Wheatbelt & Mid West means we cannot afford to risk these regions' highly productive farming industries and limited water resources with unconventional gas production.

¹<http://www.waopenforbusiness.wa.gov.au/Sectors/Grain-Feeds>

²<http://www.waopenforbusiness.wa.gov.au/Sectors/Horticulture>

³<http://www.waopenforbusiness.wa.gov.au/Sectors/Meat-Livestock>

⁴<https://lmip.gov.au/default.aspx?LMIP/GainInsights/IndustryInformation/AgricultureForestryandFishing>

⁵https://www.dmp.wa.gov.au/Documents/About-Us-Careers/Stats_Digest_2018-19.pdf Page 10 - 1.3.2 Employment at State regulated petroleum projects, https://www.nera.org.au/Publications-and-insights/Attachment?Action=Download&Attachment_id=315

⁶<https://www.jtsi.wa.gov.au/trade-with-wa/buying-from-wa/tourism>

⁷Fleming M and Measham T (2015a) Local economic impacts of an unconventional energy boom: the coal seam gas industry in Australia, *The Australian Journal of Agricultural and Resource Economics*, 59(1), pp. 78–94

⁸Origin Energy Submission page 85 <https://frackinginquiry.nt.gov.au/?a=424842>

⁹Vengosh, A., Jackson, R. B., Warner, N., Darrah, T. H., and Kondash, A., 2014, A Critical Review of the Risks to Water Resources from Unconventional Shale Gas Development and Hydraulic Fracturing in the United States. *Sci. Technol.*, Vol 48, pp. 8334–8348.

¹⁰<https://www.ruralhealth.org.au/sites/default/files/publications/nrha-mental-health-factsheet-dec-2017.pdf>, https://www.ruralhealth.org.au/sites/default/files/-fact-sheets/fact-sheet-14-suicide%20in%20rural%20australia_0.pdf

¹¹Hossain D. et al. Impact of the mining industry on the mental health of landholders and rural communities in south west Queensland (2013). *Psychiatry*, 21:32-37.

¹²<https://www.marketforces.org.au/wp-content/uploads/2016/11/Briefing-CBA-and-CSG-loan-refusal.pdf>

¹³<https://www.abc.net.au/news/2020-06-10/coal-seam-gas-farmers-queensland-insurance-pull-out-iaq/12337156>

¹⁴<https://www.sciencedirect.com/science/article/abs/pii/S026483771630076X>