

**STANDING COMMITTEE ON  
ENVIRONMENT AND PUBLIC AFFAIRS**

**INQUIRY INTO THE IMPLICATIONS FOR WESTERN AUSTRALIA OF  
HYDRAULIC FRACTURING FOR UNCONVENTIONAL GAS**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT DONGARA  
MONDAY, 27 OCTOBER 2014**

**SESSION ONE**

**Members**

**Hon Simon O'Brien (Chairman)  
Hon Stephen Dawson (Deputy Chairman)  
Hon Brian Ellis  
Hon Paul Brown  
Hon Samantha Rowe**

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**Hearing commenced at 10.10 am****Councillor STUART CHANDLER****President, Shire of Irwin, sworn and examined:****Mr DARREN SIMMONS****Chief Executive Officer, Shire of Irwin, sworn and examined:**

**The CHAIRMAN:** I call this hearing to order. On behalf of the committee I would like to welcome our witnesses today. Before we begin, I ask our committee clerk to require you to take the oath or affirmation.

[Witnesses took the oath or affirmation.]

**The CHAIRMAN:** Gentlemen, you will have signed a document titled “Information for Witnesses”. Have you read and understood that document?

**The Witnesses:** Yes.

**The CHAIRMAN:** These proceedings are being recorded by Hansard and a transcript of your evidence will be provided to you. To assist the committee and Hansard, I ask that you quote the full title of any document that you might refer to during the course of the hearing, for the record. I also remind you that your transcript will become a matter for the public record. If for some reason you wish to make a confidential statement during today’s proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised it should not be made public. I advise you that publication or disclosure of the uncorrected transcript of evidence may constitute a contempt and may mean that the material published or disclosed is not subject to parliamentary privilege.

Mr President, would you like to make an opening address?

**Councillor Chandler:** Thank you very much, and thank you, Mr Chairman and members of the committee. My name is Stuart Chandler and I have been a councillor for the Shire of Irwin, of which I will subsequently refer to as “the shire” for 20 years and its shire president since October 2009. I am also accompanied by the shire’s chief executive officer of four years, Mr Darren Simmons. Being the chief elected and chief appointed officers respectively, we appear before you today as official representatives of the shire. By way of introduction, our shire is located in the central west of the midwest region of Western Australia, 360 kilometres north of Perth and encompasses a land area of 2 223 square kilometres. According to the Australian Bureau of Statistics, the 2011 census found the shire’s residential population was 3 567, comprising 1 822 or 51.1 per cent male residents and 1 745 or 48.9 per cent female residents, and Aboriginal and Torres Strait Islander people made up 2.2 per cent of the population. The latest ABS estimated residential population for the shire is 3 780. At the 2011 census, 984 families called the Shire of Irwin home, and using an age distribution 29.7 per cent of our residents in the shire were aged between 15 and 44 years, which is considerably lower than the state average of 42.8 per cent. A number of members of the community have suggested this may be due to factors such as limited employment and education opportunities, particularly for the youth. In contrast, the number of people aged over 55, 34.1 per cent, is noticeably higher than the state average of 23.7 per cent and supports the assertion that many people have settled in the area as a lifestyle and retirement choice, rather than for employment. It is also interesting to note that 21.1 per cent of the shire’s population is less than 14 years of age, with the state average being 19.7 per cent, indicating that the shire is also home for a number of young families. In accordance with its strategic community plan

objectives, the shire aims to attract young adults back to the district by maintaining a prosperous, diverse and thriving economy balanced with respect for the natural and built environment.

In terms of employment, the 2011 census data indicates that of the 1 512 local residents employed, the top three industry sectors were agriculture, forestry and fishing with 13.4 per cent; construction with 12.8 per cent; and mining, which includes gas exploration and production, 9.3 per cent. This data confirms the traditional view that much of the shire's economy has historically been based on agriculture and fishing, dating back to the colonial days, but it is also reflective of the development of the Dongara oil and gas fields in the last quarter of the twentieth century. It was in mid-2012 when the CEO and I received an initial briefing from the officers of the Department of Mines and Petroleum of the move towards the extraction in the shire of unconventional gas using the hydraulic fracturing method. This information was then shared with the council, which has chosen not to adopt a position in respect to hydraulic fracturing of unconventional gas. We are aware of concerns being expressed in nearby communities, and whilst it seems that some within the Irwin community have articulated a level of opposition, it is also apparent that the level of opposition is lower than other areas. I believe this may be due to the level of involvement of our community within the industry. Thank you, Mr Chairman.

**The CHAIRMAN:** Thank you, Mr Chandler, for those opening remarks. From the overall shire's point of view over time, what has been the experience of the Shire of Irwin with the oil and gas industry in all its forms?

**Councillor Chandler:** I guess I need to qualify the fact that I have no personal experience within the gas and oil industry; I am purely a representative member of the community. The comments made to me by local farmers and others that have been involved in the industry is that in the early days of the gas and oil industry there was probably a poorer relationship between the companies and the farmers at that stage, but I also believe that the contrary is the situation now. I believe there has been a great level of interaction between the companies and the farmers to the point that I believe there is not the contention now that there may have been in the past.

**The CHAIRMAN:** Yes. Putting to one side the questions of contentiousness and what have you—for and against—what is the size of the oil and gas industry presence in the shire?

**Councillor Chandler:** As indicated, nine per cent are employed in the mining, gas and oil industry. It is my belief that there is a lot larger number reliant on the industry for their livelihood, because of the fact that the gas and oil companies have a tendency to employ local labour and local contractors before searching outside of the shire for the expertise they require. So it is my belief that whilst it is indicated that nine per cent of the shire's workforce work within the gas, oil and mining industry, I believe that you could say that easily double that number would be reliant on the industry for their livelihood.

**The CHAIRMAN:** Of those, let us say, 350 or 370 of the population or their families are employees of the industry—that is about 10 per cent of your population—what proportion of those would be working in oil and gas locally as opposed to perhaps being FIFO workers resident here and flying out to Karara and places?

**Mr Simmons:** Mr Chairman, I do not have the specific numbers, but I would suggest it would be at least half. Whilst we do have a growing FIFO workforce, and that is perhaps evident by the fact that we have a number of young families in town, the corresponding job opportunities are not necessarily there and they are perhaps getting their income from other areas, and residing here. It would be 100 to 150—around half of that number that you have outlined.

[10.20 am]

**The CHAIRMAN:** I am just trying to get an idea of the scale of the oil and gas operations generally in your shire. Are you able to indicate how many wells or how many fields you might have that are active?

**Mr Simmons:** I have not got that information, Mr Chairman, but certainly I am aware from my interactions with members of that particular industry that there is a significant infrastructure around the gas industry within our shire. In terms of production, I believe it is reducing, but I would have to leave it to the industry participants to be able to give you that detail.

**The CHAIRMAN:** We will be talking to some of those in the next day or two.

**Councillor Chandler:** I think, Mr Chairman, if I may comment on that, I know that even in my own family I had two—a son, and a daughter's partner—employed within the industry, and also a son-in-law that is a contractor in his own right that gained work from within the industry. My daughter is a chef and she also caters very often for people employed within that industry. So, out of four children in my family, they are all in some way reliant on the gas and oil industry for their livelihood.

**Hon PAUL BROWN:** That was along the lines of my next question. Was that nine per cent of the total workforce population a figure of those employed directly or a figure of those in general service to the industry, as you said, such as chefs, waiters, cleaning staff, fixing tyres and things like that?

**Mr Simmons:** I could answer that, Mr President.

**Councillor Chandler:** Yes.

**Mr Simmons:** That nine per cent is just those involved in mining, so the gas production and exploration area. In our package of data that we have provided the committee there is a break-up of those other areas that include hospitality, tourism and services.

**Hon PAUL BROWN:** Not having had time to look at that data you have given us, that wider extended employment, what sort of range is that in?

**Mr Simmons:** Certainly, if we start at the hospitality area, I am aware that a number of beds are used by the industry for visiting employees or visiting contractors and that obviously flows through to sustenance—feeding those staff members; and a number of contractors in our industrial area provide fabrication and industrial services to the oil and gas industry and, obviously, to agriculture and other services. But I am aware they are in that area, particularly in the construction phase—more recently probably the construction of the Mondarra facility, which is a gas storage facility.

**Councillor Chandler:** I think, Mr Chairman, that very often the level of involvement—Darren alluded to the construction stage—I am aware that when the pipe was being laid from the offshore platform to the onshore facility for Roc Oil, there was a significant increase in workers being housed within the town during that construction period. As happens, such as when the periodic seismic survey happened within the shire, there is a significant increase of employment opportunities offered, particularly for our younger people when that seismic survey work is being carried out within the shire.

**Hon BRIAN ELLIS:** Can I just ask one quick question that is a little bit outside the mining and gas industry. Have you been able to measure the economic input the mining companies have put into social services? We have noticed this that other companies around the state—I know this has occurred, particularly in Karara's case, when they were setting up, they supported football teams and other community services in the town and the shire—have you had input that way economically?

**Councillor Chandler:** Absolutely, the most recent being AWE's contribution of \$50 000 towards the digital upgrade of our drive-in theatre, which is located directly behind us. With that support, along with donations from other groups, that really saw the opportunity to retain our drive-in as an icon for the area. There have obviously been many others.

**Mr Simmons:** I am also aware that local sporting teams are supported and also we have a local charity group that receives contributions from the sector for distribution to various community groups and events.

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**The CHAIRMAN:** You mentioned in your opening remarks that the council has not at this stage adopted a position in regard to unconventional gas. What is the council's policy and attitude towards mining and other resource projects generally?

**Councillor Chandler:** I believe, whilst council maintains a neutral position in the debate on unconventional gas extraction, we obviously are totally supportive of the mining and oil industry, keeping in mind that many of our residents, as previously has been explained, are reliant on the industry for their livelihoods. That longevity of the relationship of community members with the gas and oil industry, which goes back to the mid-1960s I believe, has left our council of the mind that we do not have the expertise to determine one way or another the scientific effects, so as such we have remained neutral. Certainly we are supportive of other industries as well, being mineral sands, the lime sand industry, sand extraction and other industries within the shire; we certainly support them.

**The CHAIRMAN:** With respect, particularly to oil or gas but it could apply to other miners as well, are you aware of problems occurring over time with resource companies trying to access land being used for other purposes? I am referring here to stand-offs with farmers and objections to people coming onto their land to explore and that sort of thing?

**Councillor Chandler:** Mr Chairman, I personally, having been a resident of Dongara since 1980, am aware of anecdotal evidence that there was confrontation between farmers and gas and oil operators in the earlier days, but at a recent meeting with farmers—in this very room—about a month ago, the indication was that that had totally changed around and that the level of dialogue now was such that there was a harmonious working relationship between the landowners and the operators.

**The CHAIRMAN:** That is good to hear that they have moved on from the bad old days. Likewise—again, I must draw on your extensive experience of the shire over years—are you aware of examples of contamination or other damage occurring to landholdings in the shire because of industrial activity?

**Councillor Chandler:** I am personally not aware of any concerns, and being a landowner myself within the shire, I do have a level of contact with other landowners within the farming industry that have closer contact with the mining, gas and oil people, but I am certainly not aware of any dialogue which would indicate that there have been concerns raised. I have questioned the level of accountability from the gas and oil exploration people, and it is my understanding that they do regular testing of water sources within the shire. It is my understanding that there has not been any adverse findings come out of any of that testing that I am aware of.

**The CHAIRMAN:** Okay. You mentioned that the Department of Mines met with yourselves back in 2012. When they visited the shire, did they consult with the local community or have any local forums?

**Mr Simmons:** Yes, Mr Chairman, they have, and since that time the shire does receive regular visits and contacts from officers of the department. In respect to public forums, they certainly facilitated two that I know of in this very facility, facilitated by the CSIRO.

**The CHAIRMAN:** What was the format for those, and how did they come about? Was it just a general invitation or an information session?

**Mr Simmons:** There was a workshop. It was, as I say, facilitated by CSIRO and was an opportunity for various stakeholders to be able to receive presentations from various groups, those that you perhaps could say were at the proponent end and perhaps those at the opponent end of the issue, and then also broke away into small groups to determine how the department could best engage with the community in respect to unconventional gas exploration.

**The CHAIRMAN:** That is interesting. What gave rise to those forums? What caused them to be created and held?

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**Mr Simmons:** I suspect—it is only a suspicion, Mr Chairman—that it was coming out of some workshops that the Parliamentary National Party had sponsored earlier in that year, and I think it was perhaps a response to some of the issues that those workshops identified in terms of lack of information and communication.

**The CHAIRMAN:** Right. Did you get to attend any of those?

**Mr Simmons:** Yes, and I was a presenter at the workshop facilitated by the CSIRO, and in fact in the package of documents that I have provided to the committee, I have provided the PowerPoint presentation that I gave to that particular workshop. It really was just an extract of the shire's strategic community plan, and the process, which involved community consultation, where we have indicated, through the analysis of that consultation, priorities for the shire to pursue both in terms of—it is just really a quadruple bottom line: economic development, social, environmental, and civic leadership. We have outlined in those documents our priorities that perhaps fit this particular issue and perhaps the diverse role the shire has in which to meet all of those broad constituents.

**The CHAIRMAN:** We have heard of various meetings being convened by opponents or proponents of unconventional gas. But this one sounds to me like it was a genuine, balanced program that was presented. Is that the case?

**Mr Simmons:** That would be my understanding, and I suppose that is why the CSIRO—it would be my belief that they would not put their name to a process that was not balanced.

**The CHAIRMAN:** That is interesting, because we have heard a lot about advocates for one side or the other in the debate. Speaking of which, have there been any other meetings organised by the community groups?

**Mr Simmons:** Yes, I am aware that there have been.

**The CHAIRMAN:** What can you tell me about those?

**Mr Simmons:** I think in the lead-up to the last state election, there was a meeting, or a workshop, facilitated by the Greens, I believe. I think Mr President actually attended that on behalf of the shire.

**The CHAIRMAN:** Can you tell us about that, Mr Chandler?

**Councillor Chandler:** That particular gathering was in this facility, at the other end, and that was facilitated by an ABC presenter, Geoff Cannon, and there was an opportunity for the members of the Conservation Council to present their side of it, and at that meeting there were also a number of representatives, or employees, if you like—people dependent on the gas and oil industry—that were there and that spoke of their experiences. Geoff Cannon ran a very tight ship as far as there was no untoward—each side had ample opportunity to present their cases.

**The CHAIRMAN:** Was it a useful exercise?

**Councillor Chandler:** It was, and if I may come back to maybe a personal observation now, rather than representing the council, I found that I had some concern about what I believe was the level of misinformation that had been presented, some of which I think has subsequently been discredited. But my concern is that there appears to be—there is a recent case in the *Geraldton Guardian* where an advert that was illustrating the contamination of underground water facilities was subsequently determined to be misleading. I have a big concern that there does not appear to be any accountability to statements that get made. Like I say, I do not advocate on behalf of one or the other. We have maintained a neutral position. But I do have a concern about what appears to be—I believe I have got a level of common sense which allows me to determine what might be a realistic level of risk. I believe that for anything in our life, there is a level of risk. I certainly speak on behalf of two other councillors now. As the shire president, I had contact from two other councillors that both expressed a similar opinion to myself, which was that whilst we recognise that there may well be a level of risk with the extraction of unconventional gas, those two councillors and myself believe that the risks, which are to be checked by the regulators, and the level of

accountability is determined by the regulators, not us, but we respect the fact that there is probably a small level of risk, but the level of gain to our community and to the state as a whole would overwhelm the risk factor. That is an opinion of two elected members and myself. There may well be other personal opinions held by the other five councillors.

**The CHAIRMAN:** I assure you we are gathering a range of views as we go around the state, because that is what our inquiry is very much about. It is a search to see what the concerns are of people and examine the veracity and strength of those concerns. So that is why we appreciate your assistance.

**Hon PAUL BROWN:** Through the range of forums that the shire has been able to attend and that have been held here both by some of my parliamentary colleagues and in the previous Parliament—I know of one held here not long ago that was put on by AWE about the Senecio sites, and others—has the shire gained any feedback from the community after each of those forums? Has any feedback been conveyed to the shire in relation to any of those forums, and what were those concerns, if there were any?

**Mr Simmons:** Not specifically coming out of those forums, but over time, since probably this time two years ago, the shire does receive the occasional item of correspondence or email, or there might be a submission of a DVD. I can literally count on one hand the number of times that has happened. Much of that feedback comes from outside our shire. So, we respond accordingly, as I said, and as has been outlined here, we advocate a position of neutrality, and I suppose we have been fairly consistent on that. But nothing specific is coming out of those forums.

[10.40 am]

**Hon PAUL BROWN:** If the oil and gas industry has been engaged with the shire, on a personal level shall we say, has any of the opposing industry, the sector that oppose it, been engaging with the shire at a personal level rather than at a community level, shall we say, at any stage?

**Mr Simmons:** In the early stages, probably two or two and a half years ago, around the same time as the initial briefings from the Department of Mines and Petroleum we did receive representation from a volunteer representative from the Conservation Council. He was visiting to present the documentary *Gasland* and we agreed to meet with him in our office at that time.

**Councillor Chandler:** As part of that, we also made space available for their publications that they wished to distribute to the community. We offered them the same opportunity as the others for distribution of their literature.

**Hon PAUL BROWN:** What opinions were formed through those engagements, both with industry and the opposing sector—any opinions by council? I know you have said quite clearly that you remain neutral, but did you gain an opinion about the representation and the level of information that was received?

**Mr Simmons:** Perhaps the —

**Hon PAUL BROWN:** I am not trying to squeeze you here; I am just trying to get an understanding.

**Mr Simmons:** Perhaps the easiest way to answer that is to clarify or explain the council's thinking in terms of neutrality. It was very clear to the council at a very early stage that its role in this was clearly going to be an advocacy role. It really has no jurisdictional role in terms of regulating the industry or approvals of the industry. Whether there is a yes or a no, the Shire of Irwin is really not part of that process, so it decided that, unlike, say, the development of a factory or a business where it obviously, as a planning authority, has a role to play in the approval process, it does not have that same role here, so it did not need to determine a position one way or the other, and could not because it did not receive all the information in which to make an informed decision. The advocacy role then becomes, I suppose, predominant and the view that I certainly got, and the shire president has a similar one, is that we are very keen to hear all views. I think the shire president has already

spoken about some misinformation that certainly was forwarded to us that we probably would deem to be unhelpful in terms of the science. I am glad to say, though, that since that time, more literature of scientific rigour has now become available and we have access to that. I know the committee has too, particularly, I am referring to the “Engineering Energy: Unconventional Gas Production” by the Australian Council of Learned Academies and the International Energy Agency also has some documentation available on its website. We are probably forming a view that we will need to trust the regulators in this process but we are certainly forming a better base of information in which to keep them to account because that fits our advocacy role.

**Hon BRIAN ELLIS:** Following the same line, I hope I understand you properly that the only representation from those opposed to the unconventional gas industry has been from the Conservation Council. You have not had from your own residents of the shire a group that has come to lobby the council against the industry? Am I understanding that correctly?

**Mr Simmons:** I am not sure what you mean by coming to the council.

**Hon BRIAN ELLIS:** Well, quite often if there is something that is going to happen in a shire there would be a group formed in your shire of concerned people that may come to the council and say, “We’d like you to oppose this”, or whatever?

**Mr Simmons:** They have not come to a council meeting, no.

**The CHAIRMAN:** What was the purpose of the Conservation Council approaching you then? Was that to get council to adopt a policy position or something?

**Mr Simmons:** I suspect so; I could not categorically say. As I say, it was in the context of their presentation of the *Gasland* documentary and other information sharing that they wanted to do. I must admit, that particular conversation is going back two years, so the finer detail is perhaps not there.

**Councillor Chandler:** I was present at that meeting and my recollection of the outcome was that it was basically to offer their points of view to us, or to myself as an elected member, and certainly to Darren, as a staff member. It was an opportunity to offer their points of view.

**The CHAIRMAN:** We have had the benefit of their advice. In fact, I think Piers Verstegen and the CCWA was actually our first witness at our first hearing in Perth, so we are in regular contact.

**Councillor Chandler:** If I may go back to one of these meetings that I referred to earlier chaired by Geoff Cannon, there were a significant number of locals there but I am also aware that a lot of those people and people I spoke to during the course of that meeting and subsequently were there out of interest because there was a lot of publicity, and a lot of adverse publicity, surrounding the hydraulic fracturing issue and they came along to find out something for themselves. Those members of the public that I am aware of that were there have not come back to me since and said, “You need to make some stance or have some more definite position on this.”

**Hon PAUL BROWN:** We spoke earlier about the percentage of population in the Shire of Irwin representative of employment within the industry. Has the shire done any modelling, I suppose is the best word, for the future representation of the industry and the employment through the Shire of Irwin? Has the shire in discussions with the industry formed an opinion about the expanse and the growth of the industry and the growth to the shire?

**Mr Simmons:** Mr Chairman, I do not think we have, and the reason we have not at this stage is because, until recently, expectations have been generally, I suppose, low in terms of this would be a five or 10-year sort of time frame. Obviously the issue itself needs to play out in the community sphere. We have not pursued that because we have not had any real detail but now there has been some element of success in recent exploration, but that still needs to be quantified. I understand one of the operators, AWE, will be presenting to you later on today; they will be able to perhaps talk more about that, but we feel it is probably premature to do that sort of stuff at this stage.

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**The CHAIRMAN:** You just mentioned AWE. My next question was to observe that they have got a number of operations underway in your shire and neighbouring shires. As a local authority, have you found them a good company to liaise with?

**Mr Simmons:** I have, yes, Mr Chairman.

**Councillor Chandler:** From an elected member's point of view, we have had invitations from AWE to actually go onsite and view the operations and regular meetings and an open invitation should there be any concerns raised about anything. We have direct access to the managing director to make contact and facilitate meetings if need be.

**The CHAIRMAN:** This harks back to an earlier question I asked, and it probably derives from some of the horror stories we hear, perhaps from overseas more so than from Western Australia, but about oil companies imposing themselves on landowners, you know, as a big and powerful concern, trying to heavy or otherwise take advantage of local farming families to get access to land and treating them without respect. Have you any history of that, with not only in AWE, but anyone else?

**Councillor Chandler:** I think, Mr Chairman, certainly I alluded to that earlier. I believe that that has happened in the past here, but I am also aware of the fact that the farmers involved with direct contact with the industry have now formed a group amongst themselves and they, I guess, do not lobby, but they work as a group in determining the outcomes. It is my understanding from that group of farmers that they do have a harmonious working relationship with the companies involved in the exploration in this area.

[10.50 am]

**The CHAIRMAN:** A lot of what we have been told, Mr President, as we have been around the various jurisdictions and interstate, is that there seems to be a maturity of that sort of relationship between, say, landholders and exploration companies that perhaps was not exhibited as it should have been 30 or 40 years ago, but now there seems to be a more mature and mutually respectful understanding between the parties.

**Councillor Chandler:** That is certainly my belief.

**Mr Simmons:** Mr Chairman, the shire has had the opportunity of meeting in this room with Mr John Cotter. I believe he has also presented to the committee, the chair of the Queensland gas commission.

**The CHAIRMAN:** He has, yes.

**Mr Simmons:** He was quite informative in the sense that he was able to use his experience, and at that meeting a number of local landowners were present; that is how we were able to learn of their joint negotiations or their joint initiative in dealing with the companies. The information that I certainly got out of that was useful in the sense that because of the past we should not really forget that and we need to keep all participants in this process accountable and deal with respect, and I think that was the basis of that discussion we had.

**The CHAIRMAN:** With that very much in mind, how have you found the shire's dealing with the Department of Mines and Petroleum? Are they proactive and constructive in their dealings with you?

**Mr Simmons:** Since mid-2012 they certainly have been. Up to that point, I suppose, the shire had a level of disappointment in the level of engagement, particularly in the sense that some, you know, previous experience in other areas, our need to work with them was hampered in that proponents would often say that they have a Department of Mines and Petroleum permit so we have to let them do what they say. We communicated that back to departmental officers and since that time we often have either meetings here on a quarterly basis or I will meet with departmental officers in their headquarters in Perth.

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**The CHAIRMAN:** This is interesting. The shire occasionally finds itself as the meat in the sandwich between, say, mining interests and others; and this is not just oil and gas obviously.

**Mr Simmons:** Correct.

**The CHAIRMAN:** Can you tell me a little bit more about that?

**Mr Simmons:** It often revolves around conditions of approval, and obviously the people on the ground are the ones that might be affected if those conditions are not being met. For example—and this is not an oil and gas example—at a local lime mining operation if the conveyor belt that is used is operated after-hours it is adjacent to a residential area and that will have an adverse effect on the residents. As such, the shire was successful in negotiating with the department to have a condition that that work should only operate between 7.00 am and 7.00 pm. It is not unusual, though, if there is a change of subcontractor, the relevant information is not passed on and so we receive the complaint because we are obviously local and we act obviously as the go-between to have that rectified. We feel it is part of our core business—being a local advocate—for, you know, other forms of government and we do it as part of our business as usual.

**The CHAIRMAN:** You mentioned that prior to 2012 this was more of a problem, but since then DMP had been a bit better.

**Mr Simmons:** Especially in terms of, I suppose, the policy process around unconventional gas exploration, they have been keen and have demonstrated an ongoing commitment to communication and engagement and just keeping us informed of processes; be it their draft regulations, we are given an opportunity, like all in the state, to contribute to that process. Our contribution is limited because obviously our resource base does not allow us to have the experts who have the capability of being able to digest that sort of detail, but we do our best and what we can.

**The CHAIRMAN:** Was there any particular catalyst which made DMP's responsiveness improve from poor to good?

**Mr Simmons:** I suspect it was the controversy around the issue, you know, that development because it was such a unique concept for Western Australia, particularly with the perhaps negative stories that you referred to coming out of overseas jurisdictions.

**The CHAIRMAN:** And you have found that you have been able to apply that and your responsiveness in, say, the lime mining?

**Mr Simmons:** It has been very useful.

**The CHAIRMAN:** There is one benefit at least.

**Councillor Chandler:** I would suggest, Mr Chairman, that some of the change also has come out of the fact that there has been a change of companies doing the exploration in this area, and it is my belief that there is probably a different thinking or point of view now to perhaps the point of view or thinking of the previous companies that were working within this area.

**Mr Simmons:** I think, Mr Chairman, to cap it off, whilst local government is not officially part of the whole-of-government response to this particular issue, we certainly are given a stakeholding in the outer rim, if you like, of consultation. Whether at a later stage, as the industry develops, we need to perhaps change that and become part of the whole-of-government approach, time will tell.

**The CHAIRMAN:** Some shires, including in this part of the world, have adopted policies in respect of specifically unconventional gas, and I am sure they have other policies as well that impact on the resources sector. The fact that you have made clear that your council has decided not at this time to adopt a policy also tells us something. I imagine if we were in the City of Fremantle and there was shale gas there, they would also have a policy or a policy position on it. But the fact that you have a policy position of not having a policy is, of itself, informative to the committee.

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**Councillor Chandler:** I would suggest, Mr Chairman, that this reflects on the longevity of the contact with our community with the gas and oil industry, as was mentioned earlier, since I believe the mid-60s. A lot of our contractors have worked for those gas and oil companies over the years.

**The CHAIRMAN:** Okay, so there is a reliance there but does that mean that —

**Councillor Chandler:** I guess it is a working relationship and the fact that those people are on the ground and are actually working in the industry, they have the level of contact within the industry that perhaps other communities have not the experience.

**The CHAIRMAN:** So are you saying that there is a comfort where they are comfortable with industry?

**Councillor Chandler:** I guess they have been in a position to see if things go wrong, perhaps.

**The CHAIRMAN:** Is your community the sort generally that would accept an industry because they are exposed to it and they have made an assessment about its use to the wider community, or would they be the sort that might be behoved in owing their income to a particular interest?

**Councillor Chandler:** I do not believe that you could rate everybody the same, but I certainly would suggest that the story would get out should there be any attempt at a cover-up, because there is not only the people that own the business that is operating there, it is the workers; and over a beer at the bar all sorts of truths come out. I know that, having worked within the fishing industry for many years.

[11.00 am]

**Hon PAUL BROWN:** One last question very quickly. We talked about the engagement with the DMP with yourselves. Has there been any engagement with the Department of Water? Obviously, groundwater is a very big issue. Has the DOW been contacting you and keeping you informed about the change in their police positions around onshore gas?

**Mr Simmons:** Our last meeting with the policy officer for DMP included a senior representative of the Department of Water, so yes.

**Hon PAUL BROWN:** Okay, good.

**The CHAIRMAN:** Gentlemen, I think we have probably reached the end of our hearing now and we have another, in fact a number, coming back to back. Did you have any final remarks you wanted to offer, Mr Chandler or Mr Simmons?

**Councillor Chandler:** Yes, I guess one personal comment that concerns me, and I guess that was answered by Mr Cotter, who was referred to earlier, at the meeting with him. Yes, concerns were raised and have been raised over the time that other areas have experienced gas contamination within water sources, particularly in the USA and on the east coast of Australia. But my understanding now, having been given the opportunity to investigate, I believe much of that surrounds the coal seam gas industry and not the deep tight gas that is the case around in our shire. So, it is my belief now that we are looking at a totally different industry here than the industries that have experienced problems in other areas.

**The CHAIRMAN:** Thanks for those observations. I will now draw this hearing to a close. Thank you very much for your attendance.

**Hearing concluded at 11.01 am**

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