



## **Tasmanian Government Policy Statement on Hydraulic Fracturing (Fracking) 2015**

### **Background**

Upon coming to Government the Hodgman Liberal Government introduced a twelve month moratorium on hydraulic fracturing (fracking), to enable a review into the practice in Tasmania to occur. The Review was led by the Department of Primary Industries, Parks, Water and Environment, including the Environment Protection Authority Division and with Mineral Resources Tasmania in the Department of State Growth. The Review concluded in February 2015.

Taking into account the submissions received, the findings from the Review and subsequent industry and community representations, the Government notes that:

- Continued mineral and energy exploration and development is important for the Tasmanian economy.
- Fracking in Tasmania is a possibility, not a probability. It is highly unlikely that Tasmania has economically viable Coal Seam Gas (CSG) resources. Whether there are economically viable unconventional hydrocarbon resources in Tasmania, e.g. shale gas or petroleum, is uncertain and can only be determined through further private sector exploration.
- Tasmania has a regulatory framework in place to manage the practice of fracking, that to date has adopted relevant regulatory controls being used in other jurisdictions. However, there is currently considerable concern around potential negative consequences from the use of fracking relating to Tasmania's agricultural industries, branding and markets, as well as on public and environmental health, community cohesion, and landowner engagement.
- There is genuine concern in agricultural industries and the community for protecting Tasmania's reputation as a producer of clean, safe, and premium food and agricultural products. The potential unconventional hydrocarbon resource in Tasmania (as currently known) resides in the geology of the southern central areas of the Tasmanian Basin, south of the town of Ross in the midlands. This overlaps

with important agricultural areas, including areas currently subject to significant public-private investment in irrigation development.

- The real risks of fracking cannot be determined until a potentially viable resource is found and exploration undertaken. However the risks cannot be eliminated entirely due in part to the uncertainty of being able to fully define the geological, hydrological and hydrogeological characteristics of a particular region.
- Fracking may not be compatible with the Tasmanian community's aspirations for our rural communities and regional landscapes.

## **Policy**

The Tasmanian Government is taking a prudent and considered approach to the potential use of hydraulic fracturing (fracking) in the State.

The Government will maintain a moratorium on the use of fracking for the purposes of hydrocarbon resource extraction, e.g. shale gas and petroleum, for five years, until March 2020.

The Government continues to support exploration activities for hydrocarbons, but fracking will not be permitted in its exploration. It follows that fracking would not be permitted in the development or production phases of a resource project either.

The Government supports our mining industry, and supports the right mining techniques in the right areas.

Further hydrocarbon exploration will improve our knowledge of both potential commercial resources and also potential consequences. During the period of the moratorium the Government will consult with stakeholders and monitor developments in:

- National and international policy relating to fracking, including the regulation of potential environmental and public health impacts and issues of land owner notification, consent and compensation;
- Scientific understanding of fracking and industry practices in other jurisdictions potentially relevant to Tasmania;
- Scientific understanding of environmental and public health issues relating to fracking in other jurisdictions;
- Energy needs and market developments;
- Community attitudes; and
- any other relevant matters.

A Review into the practice of fracking will be conducted before the moratorium expires via a process to be determined by the relevant Minister at the time.

***Effective date of policy: 26 March 2015***