

Enhancing the wellbeing of local communities

Inquiry findings

The regions surrounding the Territory's gas reservoirs are home to communities, pastoralists, and Aboriginal landowners and native title holders. The Inquiry found that development of the onshore shale gas industry in these regions has the potential to impact the way these groups use, value and benefit from the land and natural environment around them, and may impact community wellbeing. The following concerns were raised during the Inquiry:

- Pastoralists and native title holders cannot refuse access to their land for onshore gas activities
- Traditional Aboriginal landowners can only veto proposed onshore gas projects at the exploration stage
- Aboriginal landowners and native title holders experience a power imbalance compared to the onshore gas industry, particularly when negotiating land access agreements
- There is a need to restrict access to areas of environmental, cultural, tourism or agricultural significance for onshore gas activities.

The Inquiry found the long-term wellbeing of local communities is at risk if these concerns are not resolved. Land access conditions must benefit landholders as well as the onshore gas company, including adequate compensation for access and any disturbance to the land or landholders' use of the land.

Harm to the land or environment may also impact the wellbeing of local communities. If environmental remediation or compensation to landholders is inadequate, the reduced value of the land will impact the benefits landholders receive from that land, and their overall wellbeing.

NT Government mitigations

- The NT Government introduced the Petroleum Reserved Block Policy, which sets out the areas where onshore gas activities may be prohibited. Before the policy was introduced, only 2.05% of the Territory was reserved from onshore gas activities. As of November 2022, 20.76% of the Territory's landmass has been reserved.

Areas which can be declared as reserved blocks include:

- o Parks and reserves
 - o Towns and residential areas
 - o Areas of high conservation value
 - o Indigenous Protected Areas
 - o Areas of cultural significance
 - o Areas of high tourism value
 - o Areas with no petroleum potential
- The NT Government introduced a statutory requirement and process for land access agreements, including compensation for damage and deprivation of the landholder's use or enjoyment of land, and mandatory minimum compensation paid for every well drilled.
 - The NT Government removed limitations on who can lodge objections to the granting of an exploration permit. This supports communities and landholders to raise objections to proposed onshore gas activities, particularly if the activities conflict with local values.
 - Open standing was introduced for judicial review of a wide range of NT Government decisions made under the petroleum legislation and regulations. Third party rights to merits review was introduced for key NT Government decisions to include persons directly affected by the decision, relevant Aboriginal Land Councils, registered Native Title Prescribed Bodies Corporate and registered claimants under the *Native Title Act 1993* (Cth), and anyone who makes a genuine and valid submission to the consultation process which results in a Ministerial decision.
 - Interested and affected parties can apply to the Supreme Court to remedy or restrain a proponent's breach of environmental regulatory obligations. A reversed onus of proof has also been introduced, requiring a proponent to positively prove that a defence applies in their case.
 - The NT Government amended cost rules so courts and tribunals have the discretion to not require parties who commence legal action in the public interest to pay the costs of a defendant if their case is unsuccessful. This reduces barriers to genuine public interest litigation.
 - The NT Government introduced an enforceable Code of Practice which sets out minimum standards for onshore gas activities that are designed to prevent environmental harm.

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- The NT Government introduced the *Environment Protection Act 2019* to strengthen the environmental impact assessment framework. Using this legislation, the Minister for Environment, Climate Change and Water Security can attach conditions to environmental approvals which are designed to reduce the risk of environmental harm. The Northern Territory Environment Protection Authority (NT EPA) has the power to require a social impact assessment for activities assessed under this legislation.
- The NT Government is developing a new agency budget system to improve reporting on where revenue is generated and where it is spent in the Territory. This will show whether revenue generated from the onshore shale gas industry is spent in the regions where industry activity occurs. The NT Government will use the Regional Development Framework and Local Decision-Making agreements to make sure budget allocations in regional areas match local priorities.
- The NT Government conducted the Strategic Regional Environmental Baseline Assessment (SREBA) to address the substantial information gaps identified in the Inquiry. The social, cultural and economic study developed a baseline understanding of emerging community values. This information will be used to ensure future development is better informed to protect values and address areas that are sensitive to development.
- The Aboriginal Interpreters Service (AIS) has translated information produced by CSIRO about groundwater, methane and shale gas in 17 Aboriginal languages. The translated audio files are publicly available on the Hydraulic Fracturing Implementation website for use by all interested parties.
- The NT Government worked with the AIS to develop the *Principles of Engagement when using Aboriginal Interpreters*. The principles provide best practice guidance for using interpreters to support communication between Aboriginal people and the onshore gas industry. The use of the Principles aim to assist Aboriginal people to exercise their decision-making rights by enabling all parties to share information and communicate in a meaningful way and resolve concerns, and negotiate agreements that benefit all parties.

Ongoing monitoring into the future

- The Community Engagement and Information Program (CEIP), delivered through the CSIRO will continue to deliver independent, accurate, trusted and accessible information about the onshore shale gas industry and hydraulic fracturing to Aboriginal communities over the coming years.

- Improved budget reporting will allow the NT Government to monitor budget expenditure against revenue generation in regions where onshore shale gas activity occurs. Monitoring and evaluation requirements in Local Decision-Making agreements, including timeframes for review, will assist the NT Government to monitor whether regional expenditure is progressing community priorities.
- The NTG introduced a process for the Northern Territory Civil and Administrative Tribunal to make a determination about a land access agreement if a proponent and pastoralist are unable to agree. The Department of Industry, Tourism, and Trade (DITT) will review these decisions following their publication to ensure the regulations are working appropriately. DITT will also review land access agreements to ensure they meet minimum legislative protections when they progress through the ministerial approval process and registration on the Land Access Register.
- The social, cultural and economic SREBA study details opportunities to continue engagement and to strengthen relationships with communities. This includes an ongoing monitoring program based on community engagement to monitor community concerns and ambitions, and to continue building the knowledge base.

Where can I find more information?

Find out more about these reforms in Chapter 9 of the Scientific Inquiry into Hydraulic Fracturing Final Implementation Report.

NT Government decisions about Environment Management Plans are available to the public on the Department of Environment, Parks and Water Security (DEPWS) website at depws.nt.gov.au

The SREBA baseline reports, technical reports and data catalogue, are available at depws.nt.gov.au/sreba

Fact sheets and audio files in Aboriginal languages are available at hydraulicfracturing.nt.gov.au

To report regulatory breaches by the onshore gas industry, anyone can make a toll free, anonymous call to the Onshore Gas Non-Compliance Hotline. The hotline is available 24 hours a day on **1800 413 889**.