

Australian mining tycoon blasts coal seam gas

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Mining magnate Clive Palmer gives a press conference in Perth last year. Palmer on Saturday hit out at the country's growing coal seam gas industry, saying there were concerns it could lead to environmental contamination.

Australian mining tycoon Clive Palmer on Saturday hit out at the country's growing coal seam gas industry, saying there were concerns it could lead to environmental contamination.

Palmer, who has plans to expand Queensland's open-cut and underground thermal [coal mining](#) operations, said he had reservations about Coal Seam Gas (CSG), typically methane found trapped in coal beds often released using water.

"The discussions I've had with overseas companies that do extract coal seam gas and are in operations and are using different technologies,"

Palmer told a National Party conference in Canberra.

"... they're concerned that maybe the people who are doing it in Australia are not as skilled, not as well trained, and do not have the same technological background that they do."

A government inquiry is looking at the impact of CSG, an industry which has boomed in coal-rich Queensland state in recent years, on the economy and environment.

Critics say the industry could pollute the environment because it uses a drilling technique known as [hydraulic fracturing](#), or "fracking", of underground [rock formations](#) by injecting chemicals and water to release trapped gas.

The process has prompted calls for more scientific research into the industry because of the potential for Australia's groundwater resources to be damaged by [gas exploration](#).

Palmer said the government needed to ensure water supplies were protected.

"The risk if they don't get that right is the contamination of the [water table](#) with things like arsenic and other [carcinogens](#)," he said.

"We don't want that to happen because that affects stock and it could affect human life when we're eating the stock and drinking the water.

"I think it will be devastating in certain areas and that's what we've got to worry about."

Gavin Wendt, a senior resources analyst with Mine Life, said major CSG operations in Australia were to the best of international standards.

But he said the industry had evolved so rapidly that regulators were playing catch-up to ensure all environmental concerns were covered.

Palmer has built his fortune on property development and mining and owns vast iron ore reserves in Western Australia as well as coal interests in Queensland.

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