

Mount Thorley Operations 2014

5

Environmental Impact Statement

Prepared for Mt Thorley Operations Pty Limited | June 2014

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Appendix M — Social impact assessment

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Warkworth Continuation 2014 and Mount Thorley Operations 2014

Social impact assessment

Prepared for Warkworth Mining Limited and Mt Thorley Operations Pty Limited | 13 June 2014



Warkworth Continuation 2014 and Mount Thorley Operations 2014

Social impact assessment

Prepared for Warkworth Mining Limited and Mt Thorley Operations Pty Limited |
13 June 2014

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Warkworth Continuation 2014 and Mount Thorley Operations 2014

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Date 13 June 2014

Date 13 June 2014

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1 Introduction

1.1 Background

Warkworth Mine and the adjoining Mount Thorley Operations (MTO) are long standing members of the Hunter Valley community having commenced operations in 1981.

Warkworth Mine and MTO are owned by different entities; namely, the Warkworth joint venture participants (see Section 4) and the Mt Thorley joint venture participants. This separate ownership is reflected in each mine having its own standalone mining leases and development consent. Coal & Allied is the main shareholder in each mine and has been appointed by the respective owners to manage the mines as an integrated operation; namely, Mount Thorley Warkworth (MTW). A single management team for the adjoining mines provides various cost savings across each operation by way of integration. Further, equipment, personnel, water, rejects and coal preparation are shared and provide significant synergies for both operations. The MTW operation has a workforce of approximately 1,300 persons on average, which includes contractors.

Development consent for the Warkworth Continuation 2014 is required to enable continuation of operations at Warkworth Mine beyond 2015. An overview of the proposal is provided in Section 3.1.1.

Development consent for the Mount Thorley Operations 2014 is required to prevent the sterilisation of coal resource that is approved for extraction but cannot be mined within the current consent period. It would also enable the ongoing provision of services to the adjacent Warkworth Mine which is critical to the viability of both mines. An overview of the proposal is provided in Section 3.1.2.

The subject resources at both mines can be extracted efficiently and effectively by the respective applicants because of the hundreds of millions of dollars invested in the mines since they commenced operations and, that as existing mines, they have established access to product transport and distribution infrastructure such as road, rail and port.

The continued operation of MTW has significant social and economic benefits in the form of continuing employment for a workforce of approximately 1,300 persons on average, which would enable the mines to continue to be a major employer in the Singleton Local Government Area (LGA), net economic benefits of some \$1.5billion and royalties of some \$617million.

1.2 Overview

EMGA Mitchell McLennan Pty Limited (EMM) was engaged by Warkworth Mining Limited and Mt Thorley Operations Pty Limited to undertake a Social Impact Assessment (SIA) of the Mount Thorley Operations 2014 and Warkworth Continuation 2014 mining proposals (herein referred to as the proposals).

The SIA describes the existing social environment and considers the key changes that are likely to result, either directly or indirectly, from the proposals. As the proposals are to continue operations beyond 2015 at Warkworth Mine and 2017 at MTO, enabling the combined operations at MTW to maintain as far as possible 1,300 jobs over the longer term, the greatest impacts to the socio-economic environment and community services are projected to occur if the proposal does not proceed.

The stakeholder perceived impacts and opportunities of the proposal have been determined through consultation and are assessed with the technical assessment of impacts in this EIS or considering external literature. The combined assessment of perceived and technical impacts address the NSW Land and Environment (L&E) Court judgement for the Warkworth Extension Project, referred to as Warkworth Extension 2010, (see Section 3.1.1) (par. 430) that states that the assessment of impacts should include consideration of the “subjective fear or concern” of stakeholders and the “concrete likely effects of the proposed development”.

This SIA forms part of the two EISs that accompany applications by WML and Mt Thorley Operations Pty Limited for the respective proposals, in accordance with Part 4, Division 4.1 of the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act). The report is intended to assist the Department of Planning and Environment (DP&E) in its assessment of the merit of the proposals and inform the Minister for Planning (or delegate) in determining as to whether or not to grant approval.

This SIA has been based on the combined proposals. It considers the key changes that may result, either directly or indirectly, from the proposal proceeding. The SIA also considers key changes resulting from the proposals not proceeding. Where relevant, an assessment of social impacts/ opportunities has been provided for each proposal; for example, if a potential impact or opportunity relates exclusively to one proposal but not the other.

The SIA report is structured as follows:

- **Section 2 – Approach:** social impact definitions, SIA approach and methodology, process, and relevant regulation and requirements.
- **Section 3 – Proposals and context:** proposal description and proposal context including existing MTW workforce characteristics, operational context, Coal & Allied’s community investment and engagement activities and the operations socio-economic linkages with the region (including results of an employee and supplier survey).
- **Section 4 – Community profile and context:** community profile (including geography, history, and socio-demographic data) and community context (including the relevant legislative and governance context, issues review, and regional industry and mining overview).
- **Section 5 – Social impact assessment:** assessment of the proposal’s potential social impacts based on the existing social and economic conditions, community services, stakeholder perceptions and technical study outcomes.
- **Section 6 – Management, mitigation and enhancement:** development of appropriate management, mitigation or enhancement strategies to address identified and prioritised social impacts and opportunities.
- **Section 7 – Conclusion:** summary of the key assessment findings and recommendations.

2 Approach

This section outlines the SIA approach including the methodology, details of the engagement process and relevant regulations and requirements.

2.1 Requirement to consider social impacts

Section 79C of the EP&A Act requires the consent authority to consider a number of matters when determining a development application (DA) made under Part 4 of that Act. Section 79C(1)(b) requires a consent authority to take into consideration the "likely impacts of that development, including social impacts in the locality".

The Secretary's Requirements issued for both proposals on 22 May 2014 require "an assessment of the likely social impacts of the development (including perceived impacts), paying particular attention to any impacts on Bulga village". This report was prepared in accordance the Secretary's Requirements. This assessment has also been guided by the approach to assessing social impacts that was advocated in the L&E Court judgment (see below and Section 3.1) and regulatory requirements in other states (see DSDIP 2013), as currently, there are no relevant regulations or guidelines for conducting SIAs in NSW.

2.2 Defining social impacts

Social impacts include any intended or unintended changes to one or more of the following as a result of a proposal (Vanclay 2003):

- people's way of life (for example, how they live, work and play);
- their culture (for example, shared beliefs and values);
- their community (for example, cohesion, stability and character);
- political systems (for example, democratisation and participation);
- the environment (for example, impacts on amenity from dust and noise);
- people's health and well-being (for example, physical, mental, social, spiritual health and well-being);
- personal and property rights (for example, economic affects, disadvantage and civil liberties); and
- people's fears and aspirations (for example, fears about the future of the community and their children).

In assessing social impact, consideration must be given to the foundation or rationale for concerns held and expressed in relation to a proposed development. The L&E Court has found that community concerns are required to be considered in assessing social impacts, and those concerns require support in objectively assessing evidence before a decision can be made of adverse impact. In *New Century Developments Pty Ltd v Baulkham Hills Shire Council* [2003] L&E Court 154, Lloyd J heard a merit appeal against the refusal by the Council of a DA for a Muslim prayer house. Lloyd J held that:

62A fear or concern without rational or justified foundation is not a matter, by itself, can be considered as an amenity or social impact pursuant to s 79C(1) of the EP&A Act (*Newton v Wyong Shire Council*, NSWLEC, McClellan J, 6 September 1983, unreported, *Jarassius v Forestry Commission of New South Wales* (1990) 71 LGRA 79 at 93 per Hemmings J; *Perry Properties Pty Ltd v Ashfield Municipal Council*(2000) 110 LGRA 345 at 350 per Cowdroy J). Where there is no evidence to support a rational fear it will be irrelevant that members of a community may have modified their behaviour arising from such an unjustified fear (*Dixon* at [71]).

63 It follows that in forming an opinion on the probable impact of a proposed development on the amenity of an area, tangible or otherwise, a court would prefer views from residents which are based upon specific, concrete, likely effects of the proposed development. That is consistent with the statement of Mason P in *Fairfield City Council v Liu* at [2] that "... the demonstrable social effect of a particular ... use is relevant under s 90(1)(d) [now s 79C]" (see also *Dixon* at [48]).

In *Telstra Corporation Ltd v Hornsby Shire Council* [2006] L&E Court 133, Preston CJ heard a merit appeal against the refusal by the Council of a DA for a mobile phone base station. Preston CJ held:

195 A fear or concern without rational or justified foundation is not a matter which, by itself, can be considered as an amenity or social impact pursuant to s 79C(1) of the EPA Act: *Newton v Wyong Shire Council*, unreported, LEC No. 40135 of 1982, 6 September 1983, , McClellan J, pp 110, 11; *Jarassius v Forestry Commission of New South Wales* (1988) 71 LGRA 79 at 92; *Perry Properties Pty Ltd v Ashfield Municipal Council*(2000) 110 LGRA 345 at 350 [22]; *New Century Developments Pty Ltd v Baulkham Hills Shire Council* (2003) LGRA 301 at 316[62]. 'Mere local prejudice' or 'the resistance of uninformed opinion to innovation' is not a basis for rejecting a proposal: *Cecec (No. 8) Pty Ltd v Mosman Municipal Council* (1960) 5 LGRA 251 at 263; *Foreman v Sutherland Shire Council* (1964) 10 LGRA 261 at 269.

In *Bulga Milbrodale Progress Association Inc v Minister for Planning and Infrastructure and Warkworth Mining Limited* [2013] L&E Court 408, Preston CJ held that:

408 ... consideration of both the objective data for the broader community, and the experiential evidence from residents of the impacts at the local level, is required to have a complete picture of the likely social impacts of the Project.

This SIA has also considered the foundation or rationale for concerns held and expressed in relation to the proposal, as reflected in the L&E judgments above. As described in this section and Section 4, a range of stakeholders were consulted to determine their perceptions of the proposal and its potential impacts and these are assessed with the outcomes of technical studies prepared by industry leading specialists.

2.3 SIA approach and methodology

As described in Section 1, Warkworth Mine and MTO function as an integrated mine at an operational level. From a social and local community perspective, potential social impacts/ opportunities generated by the two mines are created jointly and, therefore, a combined assessment has been prepared for the proposals. It is noted, however, that on occasion it is most relevant to consider the social impacts/ opportunities of the respective proposals in isolation.

The approach undertaken in this SIA employs a multi-method framework—multiple research approaches (i.e. theoretical frameworks) and strategies (i.e. quantitative and qualitative methodologies) are adopted in an iterative way to enhance validity and understanding of the research problem (i.e. social impacts). This approach is often referred to as 'methodological triangulation' in that it allows for cross verification from a combination of several research methodologies in the study of the same phenomenon (Rothbauer 2008).

2.4 SIA process

A range of key activities are undertaken as part of an SIA, as outlined in Figure 2.1. The SIA activities¹ are detailed in the following sub-sections. It is important to note that these activities are not necessarily linear; therefore, some activities overlap and continue throughout the assessment process (for example, stakeholder engagement).

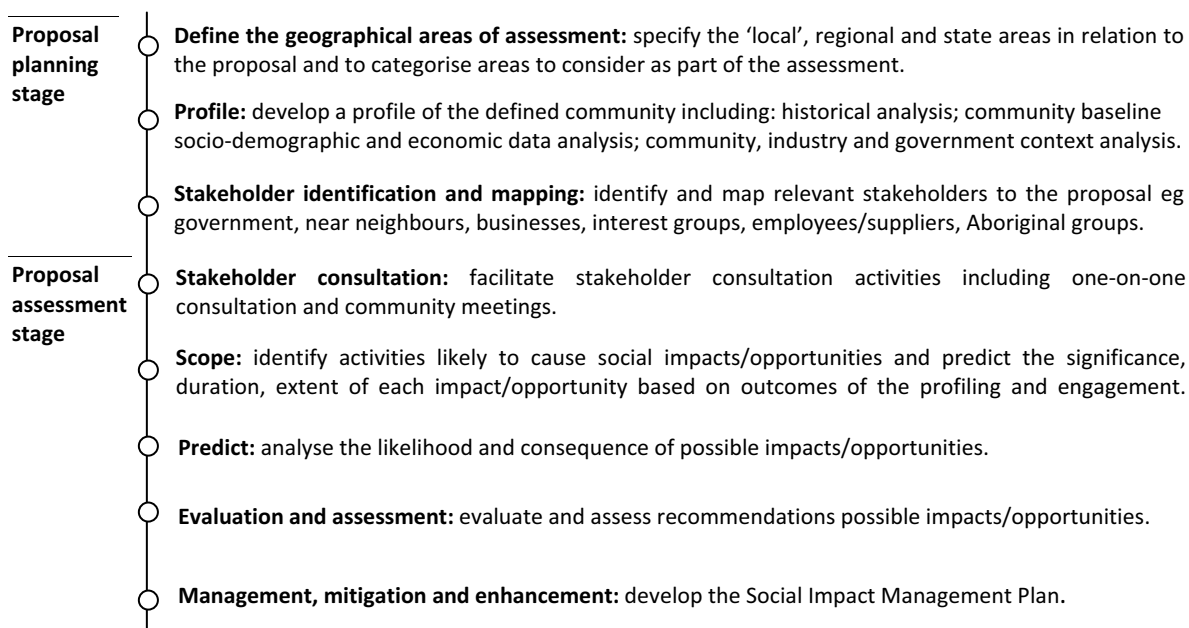


Figure 2.1 SIA process

2.4.1 Defining the geographical area of assessment

People's perception of social impacts often varies depending on their location and experience with the proposal. For instance, those that live in close proximity tend to focus on matters relating to amenity and property values. Whereas those further from the proposal tend to focus on potential impacts associated with social infrastructure (for example, housing, schools, transport etc) and socio-economic benefits either direct or indirectly. Therefore, scale is an important consideration in a social impact assessment.

For the purposes of the SIA, the 'community' is described by the following categories and associated geographical scales²:

¹SIA activities were undertaken from January to May 2014.

²Geographical classifications align with those used in the Australian Bureau of Statistics (ABS) Census: State Suburb (SSC) and Local Government Area (LGA).

- Local community: The local community refers to those areas with close linkages to or in close proximity to the operation:
 - ‘Near neighbours’ defined as stakeholders who reside in the neighbouring villages of Bulga, Warkworth, Long Point and Gouldsville and those stakeholders who reside on properties in close proximity to the MTW operation. A particular focus on Bulga village is given in accordance with the Secretary’s requirements.
 - In the context of the community profile (Section 4) this includes ‘State suburbs’ (SSCs) defined using available ABS census data and where there is a significant resident population. SSCs used in the SIA include the Bulga SSC, Broke SSC and Singleton SSC.
- Assessment area LGAs: Singleton LGA is the main area considered as part of the assessment as this is where the proposal is located. Maitland, Cessnock, Muswellbrook, and Upper Hunter Shire LGAs are also included given the socio-economic linkages between MTW and these LGAs.
- NSW is used given the resource is owned by the State and exploitation of the resource is a State decision.

The SIA also refers to the Hunter Region as the broader context area of the assessment (see further detail and area map in Section 4.1).

2.4.2 Stakeholder mapping and consultation

A stakeholder consultation strategy was developed to identify key stakeholders and detail a programme for stakeholder consultation. This was based on consultation with local and regional stakeholders undertaken by Coal & Allied throughout the life of the operation, and in particular since 2009 (with 2009 being the year consultation for the Warkworth Extension 2010 proposal was undertaken).

Stakeholder identification and mapping was undertaken using the information sourced as part of the profiling activities (see Figure 2.1), together with the existing stakeholder database developed by Coal & Allied’s Communities Team. The database includes the names and contact details of near neighbours and other key stakeholders who have engaged with the Communities Team, or who have contacted Coal & Allied regarding MTW operations.

The consultation programme was implemented throughout the assessment process. The programme involved consultation with key stakeholders to identify social opportunities and impacts that are directly and indirectly related to the proposals.

The consultation was conducted using the following methods:

- **One-on-one consultation:** with key stakeholders to assess social impacts and opportunities and to help formulate mitigation strategies. A semi-structured interview guide was used to conduct the interviews which asked questions across key themes: perceptions of social impacts associated with the proposal; potential for management and mitigation of these impacts; opportunities associated with the proposal and potential enhancement strategies; perceptions of existing operational impacts and management strategies; costs and benefits of mining in the region; needs and aspirations in the community; preferred forms of information and engagement.
- **Community information sessions:** two community engagement and two community information sessions were held in Bulga and Singleton: (1) to provide an opportunity for anyone who had not already been contacted as part of the SIA engagement process to provide feedback on the proposal; and, (2) to provide an overview of the EIS process. The sessions offered stakeholders a chance to provide feedback and input into the SIA process.
- **Information provision:** a project information factsheet was developed and distributed to all households in the Singleton LGA to provide notification and overview of the proposal and EIS/SIA process. Regular media releases and articles were also used to notify local communities of the proposal, assessment details and consultation activities. Information was also provided to the existing MTW Community Consultative Committee (CCC) as part of regular, scheduled meetings.

A total of 151 stakeholders participated in the SIA consultation process. Table 2.1 shows the categories of stakeholder groups who participated and their proportional representation in the SIA process.

A strong focus of the engagement was with near neighbours and residents of local communities such as Bulga, as set out our in the Secretary's requirements with 44 per cent of participants being near neighbours. The Bulga community was also represented with 20 per cent of Bulga residents participating in the consultation process.

As part of the engagement programme consultation was also undertaken with MTW employees (see Section 3.2.1) and suppliers, the majority of whom reside or have a business in the Hunter Region, local community groups, Singleton Council and other service providers. The views of the broader Singleton community were sought through engagement sessions held in the Coal & Allied Singleton shop front however limited attendance made it difficult to quantify the views of this broader population group through this mechanism.

Table 2.1 Stakeholder groups and participation

Stakeholder group	Proportional representation in SIA consultation (%)
Near neighbours	44%
Local businesses/business groups	13%
Environmental groups	3%
Community/interest groups	7%
Media	0.5%
Local Government	5%
Aboriginal/cultural heritage stakeholders	3%
MTW employees/suppliers	15%
Mining industry employees/suppliers	6%

Table 2.1 Stakeholder groups and participation

Stakeholder group	Proportional representation in SIA consultation (%)
Health, education, community, emergency services	3%
Other	0.5%
Total number of stakeholders	151
MTW employee and supplier survey	Number of participants
Employee respondents	373
Supplier respondents	348
Total survey responses	721

Notes: Percentages based on a total of 151 SIA participants. An individual may represent multiple stakeholder groups. Individuals are only counted if they have participated in the SIA – i.e. recorded as part of the SIA consultation activities. As noted above near neighbours includes residents close to the mine in Bulga, Long Point/Gouldsville and Warkworth. Local businesses/business groups include a range of local businesses in the Singleton LGA and relevant regional industry groups. Environmental groups include representatives from local and regionally focused environmental groups. Community/interest groups include both local community groups from Bulga and specific interest groups from the broader Singleton LGA. Media include representatives from local/regional media sources. Government include representatives from local government, in this instance Singleton Council. Aboriginal/cultural heritage stakeholders include representatives and leaders of the local/regional Aboriginal community. MTW employees/suppliers include employees, contractors and suppliers to MTW. Mining industry employees/suppliers include those employed at nearby coal mines in the region or suppliers to those mines. Health, education, community and emergency services include representatives from schools, medical professionals, NGO representatives and emergency service providers from the Singleton LGA.

Throughout the SIA consultation programme, any stakeholders who had questions about the proposal or the EIS/SIA process were able to notify Coal & Allied via a freecall phone number, dedicated email inquiry line, or via the community shopfront in Singleton; all of which are advertised on communication materials. Any matters raised were and will continue to be recorded in a central database and followed up by Coal & Allied staff, and where relevant, EMM. This system follows the relevant Rio Tinto guidelines: Communities Standard (2011), and Community Consultation and Engagement Guidance (2011) (see Section 3.1.6 for more details on these guidelines).

2.4.3 Scoping, prediction and assessment of social impacts

During this phase, potential impacts and opportunities were identified and predicted, informed by both the social baseline study, other technical studies as part of the EIS, and the feedback from stakeholders.

Changes from the proposals are inter-related and the impacts and opportunities were considered three groups; namely:

- socio-economic impacts;
- impacts on community services; and
- stakeholder perceptions and assessment outcomes.

Potential impacts and opportunities are reported in Section 5.

2.4.4 Management, mitigation and enhancement

The impacts identified in the SIA are coupled with appropriate management, mitigation or enhancement strategies in Section 6.

Following submission of the SIA a Social Impact Management Plan (SIMP) will be developed by Coal & Allied to ensure ongoing implementation and monitoring of social management strategies throughout the proposal lifecycle. The key objectives of the SIMP are to detail the roles and responsibilities of applicants, stakeholders, government and communities throughout the life of the proposals, in managing social impacts and opportunities during operation and decommissioning stages (see Section 6).

3 Proposals and context

This section provides an overview of the proposals and existing approved operations at MTW, to provide additional social context for the proposal. Information has been sourced from a review of company documents and reports and surveys of MTW employees and suppliers. Figure 3.1 shows the proposal location.

3.1 Proposals

3.1.1 Warkworth Continuation 2014

Warkworth Mine is an open cut coal mine approximately 8km south-west of Singleton in the Hunter Valley, NSW. The mine is owned by the Warkworth joint venture participants and operated by Coal & Allied (managed by Rio Tinto Coal Australia) on behalf of the joint venture participants. The mine currently operates under Development Consent No. DA 300-9-2002-i issued by the then Minister for Planning in May 2003 under Part 4 of the EP&A Act. The mine also operates under two separate Commonwealth approvals (*Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act)); EPBC 2002/629 and EPBC 2009/5081.

Warkworth Mine has been in operation since 1981 and the originally approved operation has been modified several times. As noted, Warkworth Mine and MTO have been integrated at an operational level since 2004 as MTW.

Warkworth Mine currently operates three integrated open cut mining areas the North, West and South Pits with West and North Pits being the focus of production. Run-of-mine (ROM) coal from Warkworth Mine is transported to either the Warkworth or Mount Thorley Coal Preparation Plants (CPP) for processing. The majority of product coal from the CPPs is transported via conveyor to either to the Mount Thorley Coal Loader (MTCL) for export with a small portion conveyed to the Redbank Power Station. Coal loaded onto trains at the MTCL is transported to the Port of Newcastle for export.

The Warkworth Continuation 2014 seeks an approval under Part 4, Division 4.1 of the EP&A Act to extend mining beyond the current limits. Key components comprise:

- an extension of the approved mining disturbance footprint by approximately 698ha to the west of current operations (referred to as the proposed 2014 disturbance area);
- the ability to transfer overburden to MTO to complete MTO's final landform;
- the closure of Wallaby Scrub Road;
- an option to develop an underpass beneath Putty Road for the third bridge crossing yet to be constructed (while retaining the current approval for an overpass);
- minor changes to the design of the Northern out-of-pit (NOOP) dam; and
- the continued use of secondary access gates to the mine site and offsets for activities such as drilling, offset management, and equipment shutdown pad access amongst other things.

Under the development consent granted in 2003, Warkworth Mine has approval to operate until 19 May 2021. The proposal seeks a 21 year development consent period from the date of any approval. If approval is granted in late 2014, operations at Warkworth Mine are forecast to continue to 2035, a 14 year extension over the current approval. It is noted that the proposed 2014 disturbance area includes the proposed western extension of mining and a services corridor (referred to as the proposed extension area).

Approximately 63ha of land approved to be mined by MTO in accordance with its development consent is within the Warkworth Mine's proposal footprint. The majority of the area within the proposed development consent boundary is owned by WML and Miller Pohang Coal Company Pty Limited.

The proposal follows a previous environmental assessment for an extension of mining in a similar area in 2010. The proposal was titled the Warkworth Extension Project and is herein referred to as Warkworth Extension 2010. The Project Approval for Warkworth Extension 2010 was appealed in the L&E Court and upheld on 15 April 2013. Notwithstanding, Warkworth Mine retains Commonwealth approval for the extension. The approval is for the activities and the spatial extent the subject of the proposal.

The L&E Court decision resulted in the inability of Warkworth Mine to operate along the required strike length in West Pit to maintain viable production rates. Accordingly, a 350m extension referred to as Modification 6 was sought and approved in early 2014, to enable mining to continue in the very short-term whilst enabling longer term mine planning at Warkworth Mine to continue regarding its future.

The decision by the L&E Court in respect of the Warkworth Extension 2010 was a merit appeal determined on those particular facts the subject of the appeal. Accordingly, it is not a binding legal precedent that limits the discretion of future decision makers in respect of the current proposal.

Since the L&E Court judgment, Coal & Allied has been reviewing options for the mine and planning for its future. Numerous design alternatives have been canvassed, providing consideration to, amongst other matters, the issues raised in the L&E Court case. A number of issues raised in the case were specifically related to social impacts and the assessment process, and have been considered as part of this SIA (see further details on the matters raised in the L&E Court case in Section 2.2 and the issues addressed in this SIA in Section 6).

While the current proposal has similarities to the Warkworth Extension 2010, there are a number of important differences and improvements. These were developed with consideration to, amongst other matters, feedback received during stakeholder engagement for the proposal and the L&E Court judgement. Further, significant operational improvements, particularly regarding noise and dust management, have been made since the 2010 application.

3.1.2 Mount Thorley Operations 2014

MTO is an open cut coal mine approximately 10.5km south-west of Singleton in the Hunter Valley, NSW. The mine is operated by Coal & Allied (managed by Rio Tinto Coal Australia) on behalf of WML. The mine currently operates under Development Consent No. DA 34/95 issued by the then Minister for Planning on 22 June 1996 under Part 4 of the EP&A Act.

Mining activities approved under DA 34/95 have mostly been completed with the exception of Loders Pit and Abbey Green North (AGN) Pit with rehabilitation well-progressed on the east of the Site. ROM coal from MTO is transported to either the MTO or Warkworth Mine CPPs for processing. Extraction of coal from other pits has been completed; overburden emplacement is ongoing. Product coal from the CPPs is transported via conveyor to the MTCL. Coal loaded onto trains at the MTCL is transported to the Port of Newcastle for export.

The Mount Thorley Operations 2014 seeks a continuation of all aspects of MTO as it presently operates and extends or alters them, including:

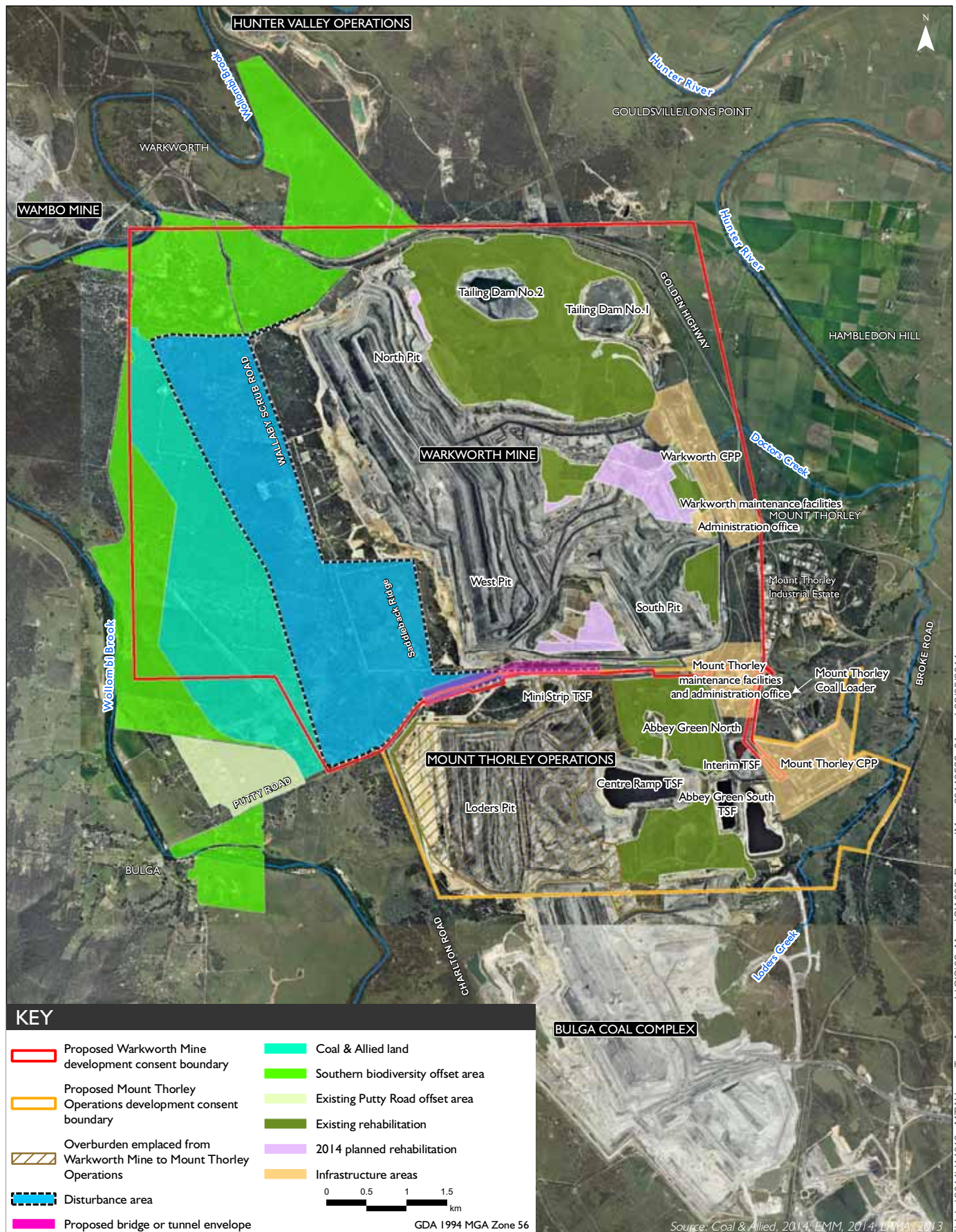
- completion of mining in Loders Pit and AGN Pit;
- transfer of overburden between MTO and Warkworth Mine to assist in rehabilitation and development of the final landform including the filling of Loders Pit void;
- maintain existing extraction rate of 10 million tonnes per year (Mtpa) of ROM coal;
- maintain and upgrade to the integrated MTW water management system (WMS), including:
 - upgrade to the approved discharge point and rate of discharge into Loders Creek via the Hunter River Salinity Trading Scheme;
 - ability to transfer and accept mine water from neighbouring operations (ie Bulga Coal Complex, Wambo Mine, Warkworth Mine and Hunter Valley Operations);
 - increase in the storage capacity of the southern out-of-pit (SOOP) dam;
- maintain and upgrade to the integrated MTW tailings management infrastructure:
 - including use of the northern part of Loders Pit as a tailings storage facility after completion of mining; and
 - wall lift to Centre Ramp Tailings Facility;
- upgrade to the MTO CPP to facilitate an increase in maximum throughput with the ability to receive this coal from Warkworth Mine;
- acknowledge all approved interactions with the Bulga Coal Complex; and
- continue coal transfer between Warkworth Mine and MTO and transportation of coal via the MTCL to the Port of Newcastle.

Mining in Loders Pit is expected to be completed in approximately 2020. Mining in AGN is yet to commence; however, it is anticipated to take approximately two years and be completed before 2022.

All activities, including coal extraction would be within disturbance areas approved under the existing development consent.

Mining activities are approved at MTO until 22 June 2017 under its development consent. The proposal seeks a 21 year development consent period from the date of any approval. If approval is granted in 2014, operations at MTO are forecast to continue to end of 2035, an 18 year extension over the current approval. The extension in timeframe is to facilitate the continued integration of operations with Warkworth Mine.

Land within the proposed development consent boundary is owned by Miller Pohang Coal Company Pty Limited.



Proposal map
Warkworth Mine continuation 2014 and Mount Thorley Operations 2014
Social Impact Assessment
Figure 3.1

3.1.3 Workforce

The average workforce currently employed at MTW is approximately 1,300 persons, with the majority (about 75 per cent) direct employees and the remainder of the workforce (about 25 per cent) made up of full time contractors.

MTW workforce demographics are characterised by:

- the employee workforce is predominantly male (about 90 per cent of all employees), as is the contractor workforce (about 75 per cent of all contractors);
- Indigenous employees represent about two per cent of the total MTW workforce, with a similar representation within the contractor workforce; and
- the dominant age group across both employees and contractors is 35-39 years (16 per cent of employees and 21 per cent of contractors).

The primary place of residence for employees is Singleton LGA (34.9 per cent), with most of the remainder of the workforce residing in nearby LGAs of Maitland (17.1 per cent) and Cessnock (19.4 per cent).

3.1.4 Suppliers

In 2013, MTW spent:

- \$188million on 228 local suppliers from Upper Hunter, Muswellbrook, Singleton, Maitland and Cessnock LGAs;
- \$147million on 377 suppliers from the rest of NSW; and
- \$238million on 198 suppliers from the rest of Australia.

Supplier organisations were mainly mining (32 per cent), manufacturing (29 per cent), wholesale trade (7 per cent) and construction (7 per cent) industries (MTW Supplier Contribution and Participation survey 2014).

The regional offices of supplier organisations were mainly in Singleton (26 per cent), Newcastle (19 per cent) and Maitland (12 per cent) LGAs, with 'Other LGAs' (23 per cent) typically being LGAs in Sydney, Brisbane and the Central Coast.

Two-thirds of suppliers indicated that they employed 20 people or less (66 per cent) while 18 per cent indicated that they employed 21 to 30 employees (MTW Supplier Contribution and Participation survey 2014).

3.1.5 Complaint management

Coal & Allied's Communities Standard provides for a complaints and grievance mechanism. Matters raised and frequency received by MTW in 2013 is shown in Figure 3.2.

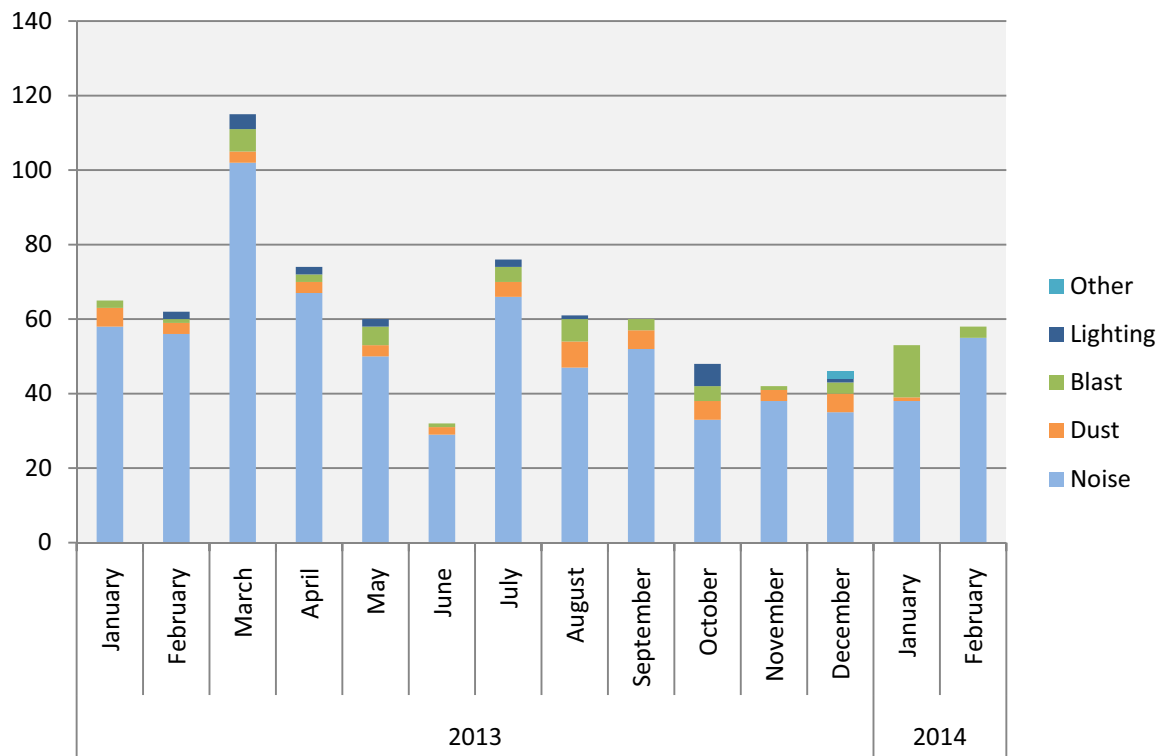


Figure 3.2 Matters raised and month, 2013

Source: Mount Thorley Warkworth Complaints Register (2013). Available online at: http://www.riotintocoalaustralia.com.au/ouroperations/5090_complaints_register.asp

While the majority of matters raised related to noise, blasting and air quality, a review of monitoring data indicates that MTW is compliant with relevant noise, blasting and air quality criteria.

3.1.6 Community engagement and investment

Community engagement is guided by Rio Tinto guidelines and standards including the *Communities Standard 2011*; *Community Consultation and Engagement Guidance 2011*; *Social Impact and Assessment Guidance 2011*; and the *Social Risk Analysis Guidance Note 2011*.

The Coal & Allied Community Relations programme manages and supports relationships with a range of stakeholder groups across its MTW and Hunter Valley Operations, including: community groups; near neighbours; Aboriginal community and groups; government (particularly local government); education sector; industry and business associations; non-government organisations including research institutions, strategic community partners; and, to some extent, media and local suppliers.

Current community activities and programmes include:

- Consultation and engagement: near neighbour engagement programme (including one-on-one and group events); council engagement; business community and industry forum engagement; schools engagement; community events; Aboriginal community engagement; MTW CCC.

- Community development: investment across three funds – Community Development Fund (CDF); Aboriginal Community Development Fund (ACDF); and Site Donations Committee. The CDF was initiated in 1999. In 2011, Coal & Allied announced the continuation of the Community Development Fund and committed \$4.5million to distribute to eligible projects between January 2012 and December 2014. The aim of the fund is to support projects and programmes that would create opportunities that would provide a lasting benefit to the wider community. The ACDF was initiated in 2006 and is a 20 year commitment to the Aboriginal Community of the Hunter Valley. Since its inception, the fund has spent over \$3million on projects that would deliver long term, sustainable outcomes for the Upper Hunter Valley Aboriginal community in areas such as business development, education and training and health. The fund currently contributes approximately \$600,000 annually and has an additional \$900,000 in a Future Fund. The MTW Site Donation Committee provides annual funding for community projects in accordance with the funding guidelines of the Committee. This includes projects which contribute to near neighbour communities, including the Bulga community.
- Communications: key communications are undertaken and maintained through the Singleton shopfront; Coal & Allied Information Line; website and email; quarterly newsletters, factsheets and media; site tours/open days; internal communication, input into external monitoring and compliance activities, community involvement in monitoring; regular CCC meetings and other forums/groups (refer to Section 6.2).

Community awareness of the company's community engagement and investment activities is high, with 60 per cent of residents surveyed in the Hunter Region indicating they are aware or very aware of the CDFs. Of those who were aware, six in ten either agreed (45 per cent) or strongly agreed (15 per cent) that the Coal & Allied Community Development Fund was benefiting the local community by providing support for appropriate and effective programs (HVRF 2013).

The suite of management, mitigation and enhancement initiatives that would continue to be implemented under the proposals are provided in Section 6.3.

3.2 Socio-economic linkages between MTW and the region

Employees and suppliers of MTW were surveyed in March 2014. The surveys provide an insight into the ways in which MTW employees and suppliers contribute to, and participate in, the Hunter community.

3.2.1 MTW Employee Contribution and Participation Survey

i Introduction

An invitation to complete the employee survey was sent by email to more than 400 MTW employees. Of this sample, 228 completed the survey online. Employees who do not have regular access to computers at work were invited to complete a paper-based survey at pre-shift meetings; resulting in the completion of 145 paper-based surveys. In total, 373 employees completed the survey.

The employee survey consisted of 18 questions related to place and status of residence, employment status and remuneration, and various questions on contribution and participation to the communities in the LGAs and the Hunter Region more broadly.

ii Residency

The findings of the employee survey revealed that the resident LGA data from the survey sample was statistically similar to current HR data, with the Singleton (34.9 per cent), Maitland (30.8 per cent) and Cessnock (16.1 per cent) LGAs the prominent areas of residence. Length of employment was also similar with almost 60 per cent indicating that they had worked at MTW for less than 5 years (2-5 years [46.4 per cent]; 1-2 years [7.8 per cent]; <1 year [4.9 per cent]), 24.5 per cent for 5-10 years and over 16 per cent more than 10 years (10-15 years [4.9 per cent]; >15 years [11.6 per cent]) (see Figure 3.2).

In terms of length of residency, almost two-thirds of employee respondents indicated that they had lived in their current resident suburb for less than 10 years (<1 year [6.7 per cent]; 1-2 years [9.7 per cent]; 2-5 years [26.6 per cent]; 5-10 years [20.4 per cent]). Housing status was dominated by the mortgage holder category, with 61.5 per cent of employee respondents holding a mortgage; 20.2 per cent renting, 15.9 per cent owning their property outright and 2.9 per cent living with friends or family. The high proportion of employees either owning their own home outright or paying a mortgage demonstrates the strong ties the workforce have to the local community.

iii Economic contribution

Employee respondents were asked to estimate the percentage of that income spent in their LGA. Over two-thirds of respondents estimated that they spent between 30 per cent and 80 per cent of their incomes in their LGA. The most nominated quintile was the 70 per cent to 90 per cent band, with almost a third of all respondents estimating their local spend in that range. For estimated percentage of their income spent in the Hunter Region, respondents indicated a higher percentage spend in the Region. The highest quintile for estimated regional spend was the 80 per cent to 100 per cent band, with over 40 per cent of responses falling in this range. The highest two quintiles, 60 per cent to 80 per cent and 80 per cent to 100 per cent, constituted almost 70 per cent of total estimates of proportional regional spend (see Figure 3.3). These responses demonstrated the employees at MTW are spending a high portion of their salaries in the Hunter Region contributing to the local economy.

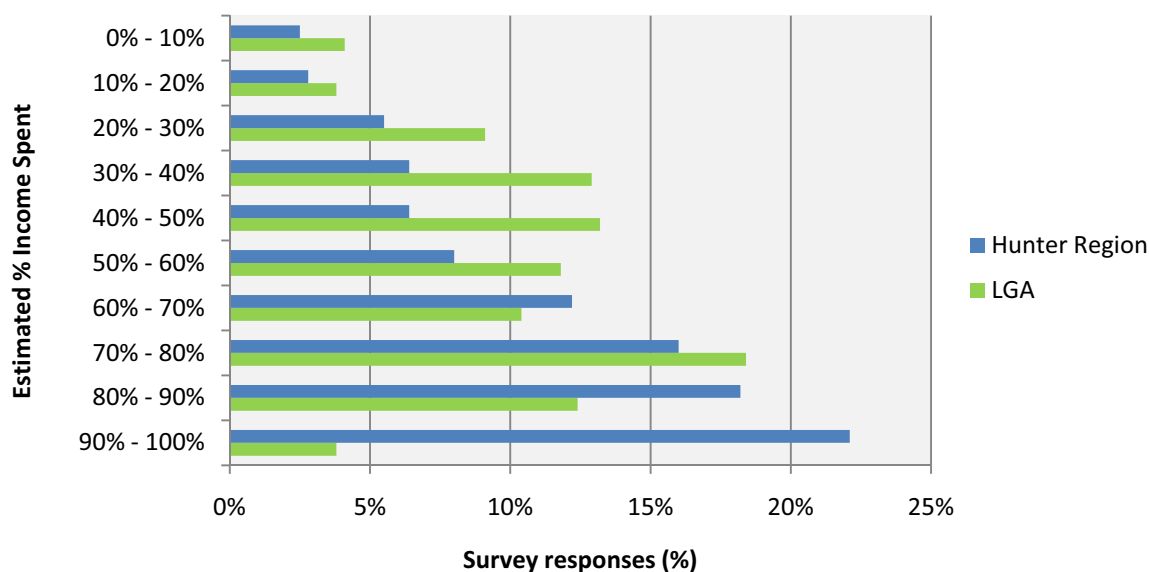


Figure 3.3 Estimated % income spent in LGAs and the Hunter Region

iv Social and community contribution

Employee respondents were then asked a series of questions relating to their direct contribution to, and participation in, community organisations and activities. One hundred and twenty three respondents (33.9 per cent) stated that they currently undertake some form of voluntary work, which is higher than the proportion of residents in Singleton LGA that volunteers. Of those that indicated current voluntary work, the majority carried out this work for sporting or physical recreation organisations (49.6 per cent) followed by emergency services (21.1 per cent), children/ youth (19.5 per cent), education/ training (13.0 per cent) and community/ welfare (12.2 per cent) (see Figure 3.4).

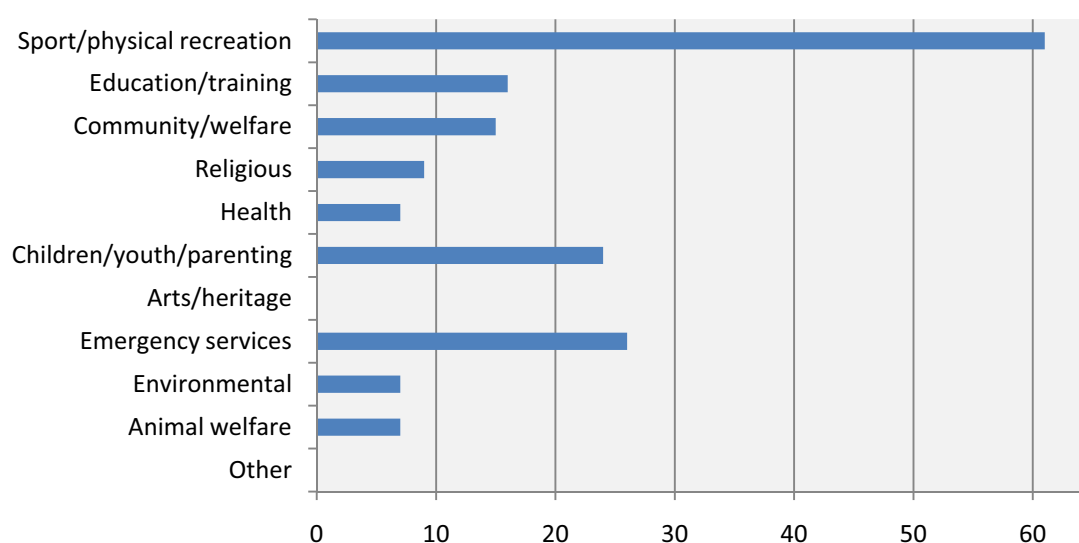


Figure 3.4 Organisation type for voluntary work

In relation to the type of voluntary work undertaken, three primary categories of responses were evident: teaching/instructing/coaching/refereeing (52 responses); fundraising (41 responses); and, committee work (33 responses). The majority of respondents estimated that they dedicate between 1-10 hours per month to voluntary work in the Hunter Region with some 22.3 per cent dedicating 10-20 hours per month (see Figure 3.5).

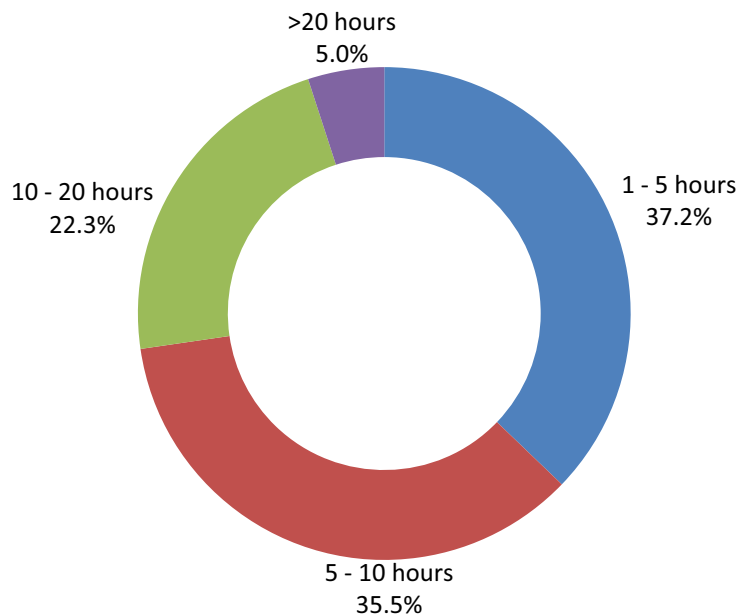


Figure 3.5 Hours per month dedicated to voluntary work

Participants were also asked to think about the voluntary work activity they spent the most time on and to nominate the LGA in which this generally occurred. The results mirrored the residency data, although there was a slightly larger percentage of respondents that nominated Singleton LGA (45.9 per cent) as the location for voluntary work.

The survey then sought information on employee participation in community activities. Responses tended to fall into the three categories of playing sport (226 responses), attending community events (150 responses), and/ or attending school events (121 responses). The majority of those respondents who participated in community activities did so for between 1-10 hours per month (1-5 hours [45.3 per cent]; 5-10 hours [24.1 per cent]), with some 15 per cent dedicating 10-20 hours per month. Again, the location for these activities tended to reflect residency, however Newcastle LGA was more prominent in the community activity location results (8.3 per cent).

3.2.2 MTW Supplier Contribution and Participation Survey

i Introduction

An invitation to complete the online supplier survey was sent by email to over 450 suppliers and 256 valid survey responses were received.

The supplier survey consisted of 16 questions related to industry type, location, workforce size, supplier relationship with MTW, and the contribution and participation to LGAs and the Hunter Region more broadly.

ii Industry

Respondents to the supplier survey were first asked to identify the main industry of their organisation, with mining (32.0 per cent) and manufacturing (29.3 per cent) dominant (see Figure 3.6).

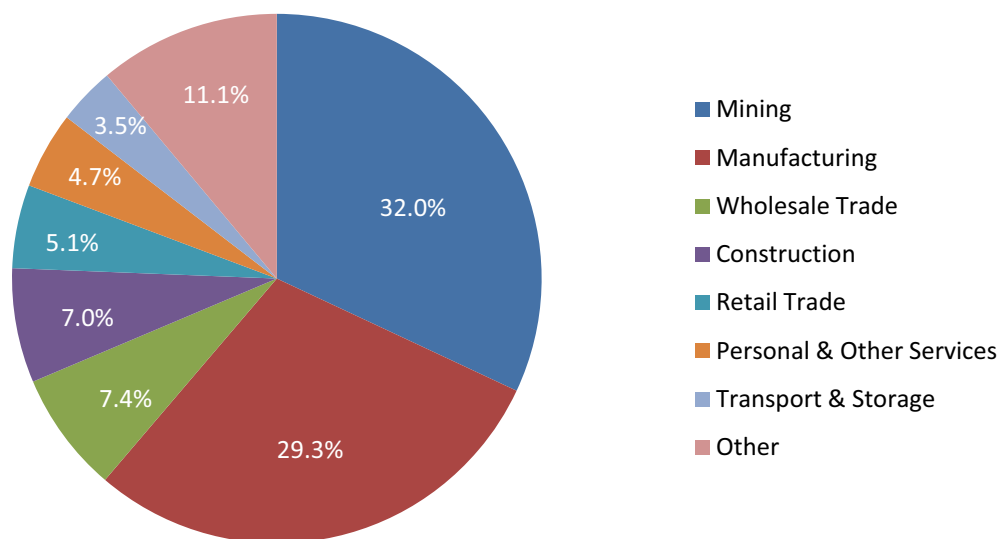


Figure 3.6 Main industry of MTW suppliers

The main LGAs for regional offices of respondent supplier organisations included Singleton (26.2 per cent), Newcastle (19.0 per cent) and Maitland (12.3 per cent), with 'Other LGA' (22.6 per cent) typically including LGAs in Sydney, the Central Coast and Brisbane. When asked how many employees currently work at the local/ regional office, two-thirds of all respondents indicated that 20 or less employees (66.4 per cent) worked at the office (<5 employees [21.3 per cent]; 6-10 employees [19.7 per cent]; 11-20 employees [25.4 per cent]), whilst 18 per cent indicated that the office had between 21 and 30 employees (see Figure 3.7).

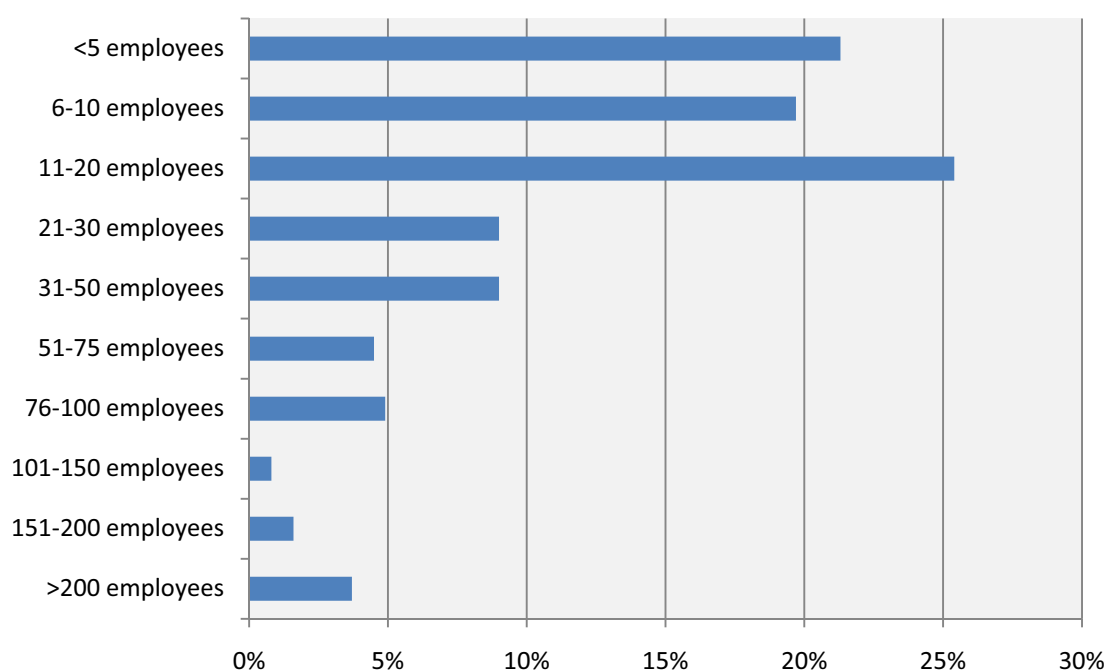


Figure 3.7 **Number of employees at local/ regional office**

iii **Economic contribution**

The survey then asked participants to estimate the value of their supplier relationship with MTW in the last financial year (total amount spent by MTW on their goods and/ or services in 2012/13). The average value of responses was \$1.194 million, with the aggregate value for the 214 respondents to the question standing at \$255.5 million. Respondents were also asked to estimate how much of their annual business expenditure (including wages and all other outlays) is spent in the LGA of their main local/ regional office. Estimates were reasonably evenly spread across the deciles, with the most prominent quintiles being the 30 per cent-40 per cent and 70 per cent-90 per cent bands. Estimates for percentage spend in the Hunter region as a whole tended to fall in the 70 per cent-100 percentile.

The survey also analysed the degree to which respondent organisations were reliant on MTW, with respondents asked to provide an estimate of their total annual business revenue that is directly related to MTW. Over 60 per cent of respondents indicated that less than 10 per cent of their revenue was directly related to MTW, with nearly 90 per cent indicating that less than 30 per cent of their revenues were directly attributable to MTW (see Figure 3.8).

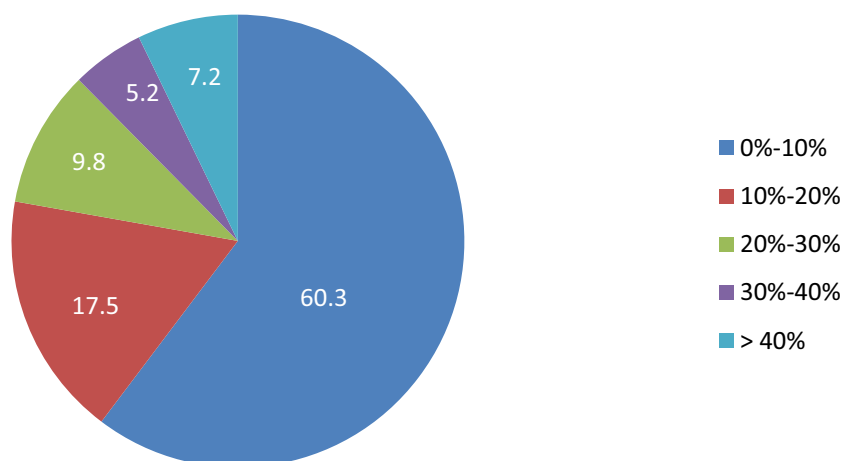


Figure 3.8 **Percentage of total annual business revenue estimated to be directly related to MTW**

iv **Social and community contribution**

In relation to corporate contributions to community organisations (for example, charities, community services, health care) in the Hunter Region, 75 per cent of participants indicated that they make direct financial contributions. The types of organisations to which these contributions were made included sporting (84 responses), welfare (65 responses), emergency services (55 responses), education (42 responses) and health (41 responses) organisations. The total financial contribution to these community organisations for the past 12 months was generally estimated to be between \$500 - \$25,000, with the primary band being \$1,001 - \$10,000 (see Figure 3.9).

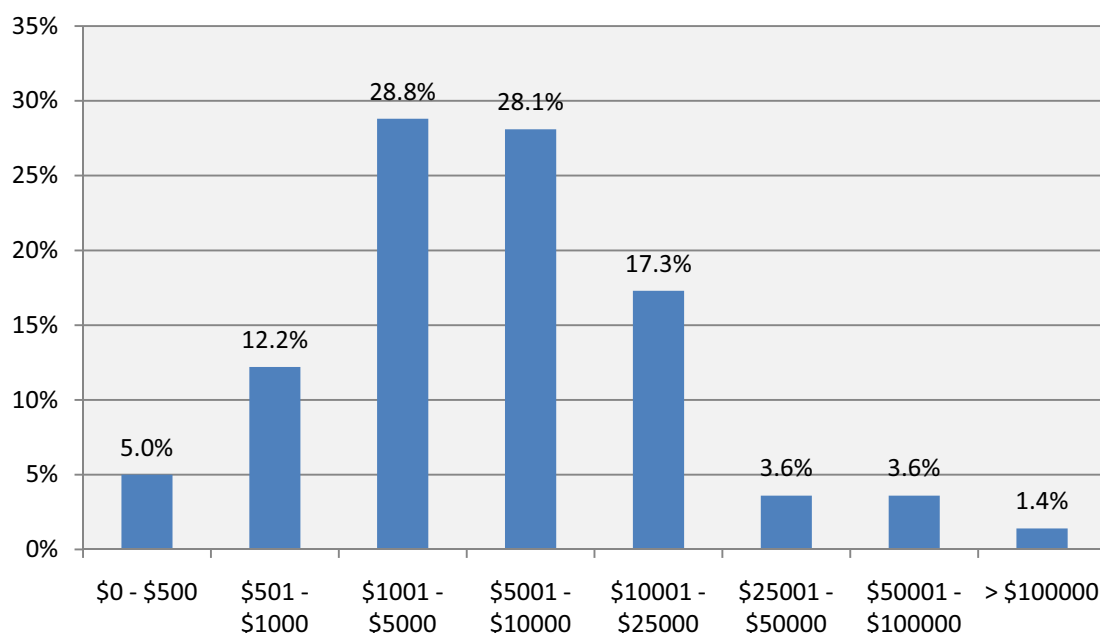


Figure 3.9 Total financial contributions to community organisations in the past 12 months

Community organisations with the highest financial contributions were generally from Singleton LGA (33.8 per cent) Newcastle LGA (25.9 per cent) and Maitland LGA (12.2 per cent).

Participants were asked whether they made any non-financial contributions (eg donating equipment, company resources, use of facilities) to community organisations in the Hunter Region, with 52.2 per cent of respondents indicating that their organisation makes these types of contributions. Community organisations receiving non-financial contributions included sporting (50 responses), community welfare (35 responses), education (27 responses), youth (21 responses) and emergency services (20 responses) organisations. The primary types of non-financial contribution made included donation of new/ used equipment (48 responses), allowing employees time off work to contribute (44 responses), use of company facilities or services at no cost (42 responses), advisory services at no cost (26 responses) and training at no cost (24 responses) (see Figure 3.10).

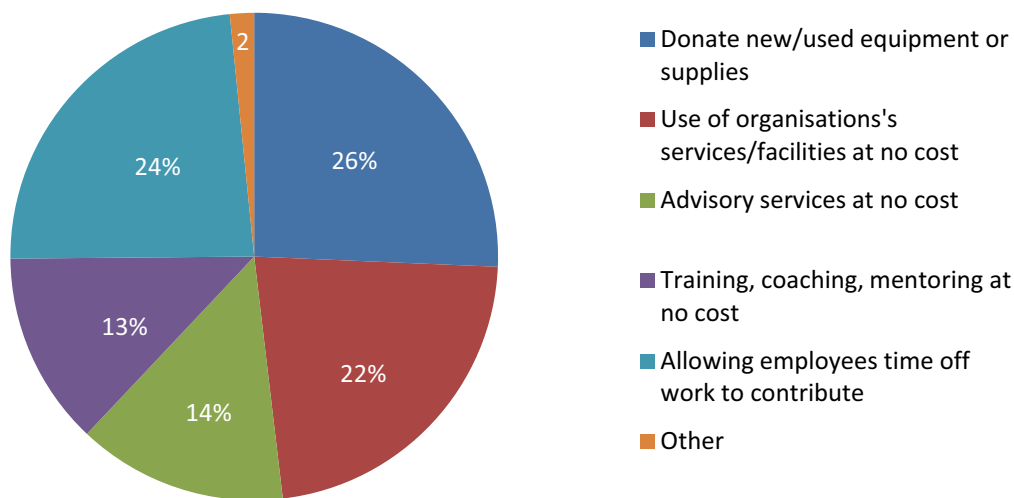


Figure 3.10 Type of non-financial contributions made by supplier to community organisations

Finally, suppliers were asked to think about the community organisation that receives the most substantial non-financial contribution from their company and to indicate in which LGA that organisation generally operates. Singleton (38.5 per cent), Newcastle (19.8 per cent) and Maitland (10.4 per cent) LGAs dominated responses, which correlate with the results of the dominant LGAs for financial contributions to voluntary organisations.

3.2.3 Summary

The Employee and Supplier Surveys undertaken indicate that MTW has strong links to the economic and social fabric of the Hunter Valley. Key links included:

- 61.5 per cent of employees holding a mortgage in the region;
- one third of employees of MTW listed as spending between 70 and 90 per cent of their income in their LGA and 80 to 100 percent of their income in the greater Hunter Region;
- 33.9 per cent of employees undertake some form of voluntary work including for sporting of physical recreation organisations, emergency services, children/ youth services, education/ training services, and community/ welfare;
- the average value of the supplier relationship with MTW in the last financial year (total amount spent by MTW on their goods and/or services in 2012/13) was estimated by supplier survey respondents to be approximately \$2million, with the aggregate value for the 214 respondents of approximately \$256million;
- suppliers derive 30 percent or less of their revenues directly from MTW with some 7 per cent relying on more than 40 per cent of their revenues directly from MTW;
- most suppliers to MTW spend between 30 and 40 per cent of their annual business expenditure in the LGAs of their main local/regional offices;

- 75 per cent of MTW suppliers make direct financial contributions to community organisations in the areas of sporting, welfare, emergency services, education and health; and
- total financial contributions from MTW supplier organisations to community organisations over the past 12 months is estimated to be between \$500 - \$25,000 per supplier.

4 Community profile and context

This section details the community profile and context in which MTW is located. It is divided into two sections: a community profile, which describes the local geographic area and key socio-economic indicators; and, a description of the regional context, which details governance/ legislative structures, and regional industry and mining activities. The purpose of the profile is to establish a baseline from which impacts and opportunities associated with the proposal can be assessed.

The profile relies on a number of primary and secondary sources to develop a picture of the local community, region and project context. Firstly, a range of socio-economic data sources were used including: primarily, the ABS Population and Housing Census data (2006, 2011); and also a number of publications from the Hunter Valley Research Foundation (HVRF). Secondly, a range of primary and secondary information sources were used to build a picture of the community in terms of the culture, history, industry, governance context, key events and trends that have shaped and continue to characterise the area. These sources included online and print media, government and NGO policy documents, legislation and court proceedings, and academic research and publications.

4.1 Community profile

The community profile relies on several key data sources; primarily the ABS Population and Housing Census data (2006, 2011) and a number of publications from the Hunter Valley Research Foundation (HVRF), including the Hunter Valley Socio-Economic Baseline Study, Hunter Region Economic Indicators, and Well-being Watch (HVRF 2013a,b,c).

4.1.1 Local geographic area

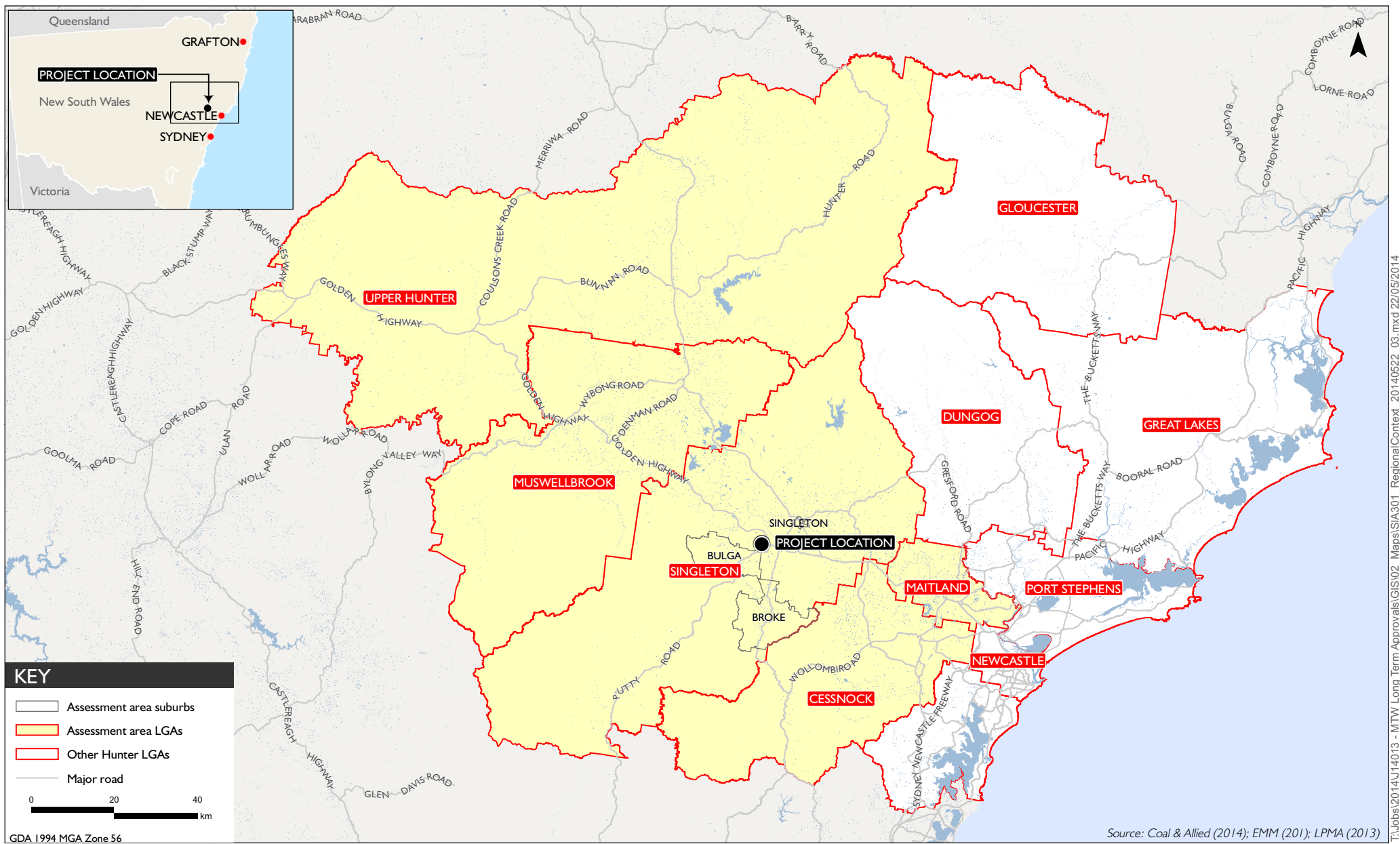
The proposal is situated in the Singleton LGA, which lies approximately 200km north-west of Sydney and 80km inland from Newcastle (the largest city in the region) (see Figure 4.1). The Singleton LGA covers an area of approximately 4,893km² and includes the town of Singleton, the villages of Broke, Bulga, Milbrodale and smaller surrounding communities.

The region is characterised by towns that have developed along the major rivers and river valleys, initially in response to mining and agricultural opportunities. The Hunter River is one of the largest river valleys on the NSW coast with a catchment of 2.2 million ha (DoPI 2012).

4.1.2 History

i Aboriginal cultural heritage

The area's Traditional Owners are the Wonnarua people (also referred to as Wanaruah or Wonnaruah). The Wonnarua traditional lands also extended through to Muswellbrook and Upper Hunter LGAs, bordering the traditional lands of the Darkinjung and the Wiradjuri peoples (Walsh 2009). According to the dreamtime of this region, the area was created by a great spirit called Baiame.



The proposal context map
Warkworth Mine continuation 2014 and Mount Thorley Operations 2014
Social Impact Assessment

Figure 4.1

The exact number of Wonnarua people in this area prior to European settlement is unknown; however, the population is known to have declined after increasing European settlement in the Hunter Region during the 1820-1830s due to disruption of traditional lands, movements between Aboriginal groups, and health impacts. By the 1860s, Aboriginal people in the area were encouraged to settle on government reserves. The St Clair Mission was established in the region in 1893, with the Wonnarua comprising a significant proportion of those in residence at the mission (Blyton 2004).

The Wonnarua people have maintained a strong sense of their cultural identity and connections with the land despite these impacts. There are cultural heritage sites and places of significance recorded throughout the region. In the Warkworth area, sites have been identified during cultural heritage assessment surveys (see Appendix N of the EIS). More broadly within the Upper Hunter Valley the Wonnarua Nation Aboriginal Corporation has implemented a programme to document and map the oral, historical and written records, and the language of the Wonnarua people (Muurrbay 2009; WNAC 2014).

ii European heritage

The earliest European presence in the Hunter region dates back to the 1790s, when coal was discovered by a party searching for escaped convicts. The resource was exploited at a low level and shipped to Sydney, but difficult terrain hampered attempts to explore the region. More in-depth survey of the coastlines east and north of the Hunter region were undertaken by John Oxley in 1818, and the following year the countryside was explored by John Howe, Chief Constable of Windsor. Government plans for the establishment of free settlements in the Hunter Region followed, and soon after towns became established around the higher population areas, such as Jerry's Plains in the 1830s and Bulga in the 1840s.

Plans for the construction of the Great North Road were developed in the early 1820s to accommodate the influx of settlers moving into the Hunter Valley. Between 1829 and 1830 the road was extended by convict gangs from Wollombi to Broke, and branch lines to Patrick's Plains (Whittingham/Singleton) and Cockfighter's Creek (Warkworth) were added.

The land became used for a variety of purposes, with pastoral grazing and wheat growing being the primary industries. At Warkworth, originally known as Cockfighter's Creek, the land remained primarily used for grazing and little development occurred, apart from a few hotels constructed along the road alignment in the 1840s for people travelling between the Hunter Valley and Sydney.

From the early 1900s until World War II, dairying was the primary industry in the Hunter Valley. In the lands around Bulga and Warkworth, lucerne growing was popular and to a lesser extent viticulture supported by timber felling, fruit production and grazing.

In 1942, during World War II, a Royal Australian Air Force (RAAF) base with a landing strip was established in Warkworth as a satellite to its parent base in Bulga. The base included hideouts to conceal bomber aircraft and a number of buildings including mess facilities and ablutions blocks, and petrol storage tanks. As the threat of attack dissolved with end of the war, the base was eventually decommissioned and the majority of assets were auctioned and removed by 1949.

Acquisition of coal mining leases in the Hunter began in the 1970s to 1980s. The mining lease for Warkworth was granted in 1976, and mining operations began in 1981.

4.1.3 Current socio-economic context

The following sections detail the current socio-economic context of the region, including characteristics and trends across key demographic themes, namely: population; economy and industry; education; health and well-being; social and community; and, housing, infrastructure and services.

Each section includes a brief outline of key statistics and trends, and a summary table of relevant statistics. Following this, a summary of the profile is provided in order to identify the primary existing areas of socio-economic risk and opportunity in the local area and region—ie existing risks and opportunities, which may be amplified by the changes proposed as part of the proposal.

i Population

The key factors shaping changes in the profile of any region are the volume, make-up and growth of population. In the assessment area, the population profile has changed significantly over the last five years, more rapidly than that of NSW, and at quite different rates across the LGAs and SSCs, as summarised below and in Table 4.1:

- The overall rate of population growth in the assessment area LGAs was slightly faster than in the previous five-year period from 2001-06; albeit marked by differentiations with increases in growth in Cessnock, Muswellbrook and the Upper Hunter and decreases in Maitland and Singleton LGAs.
- Between 2006 and 2011 the population in the key regional centres of Maitland and Cessnock grew at a faster rate (9.1 per cent and 10.0 per cent respectively) than Singleton LGA (3.5 per cent) and NSW (5.6 per cent). These centres are the focus of greenfield housing development and regional development planning initiatives (see Section 4.2) and these factors may account for the faster growth rates.
- Bulga and Broke SSCs have grown significantly between 2006 and 2011³, with a population growth of 11.5 per cent and 17.7 per cent (an increase of 37 and 96 persons respectively). Singleton SSC has declined -4.7 per cent (a decrease of 273 persons).
- The concentration of population growth in the area has centred on the junction of Cessnock, Maitland and Singleton LGAs, and also in the areas around Aberdeen and Scone (Upper Hunter Shire LGA) (HVRF 2013b).
- There is a slightly higher proportion of males in the Singleton (51 per cent) and Muswellbrook (51.7 per cent) LGAs when compared with Maitland, Cessnock and the Upper Hunter Shire LGAs (49-50 per cent) and NSW (49 per cent). There are also a higher proportion of Indigenous persons in the region than in NSW, particularly in the village of Bulga (8.3 per cent), and the LGAs of Muswellbrook (5.4 per cent) and Cessnock (4.8 per cent) relative to their respective residential populations.

³Due to changes in geographical boundaries between the 2001 and 2011 Census, comparisons between these years are misleading and subsequently are not included in this assessment for Bulga, Broke and Singleton SSCs, Camberwell and Warkworth SSCs, and Upper Hunter Shire LGA. Therefore, comparisons are limited to the 2006 and 2011 Census for these areas.

- There is a large number of young people aged 5-14 years (16 per cent), 15-24 years (16 per cent), and working adults aged 25-54 years (45 per cent) residing in Singleton LGA when compared with NSW (13 per cent and 41per cent respectively). Since 2006, Singleton has experienced a 20 per cent decline in the 5-15 year age group and increases in the 20-29 year age group, largely through in-migration associated with the mining workforce. With the exception of Singleton, the 60-70 year old age group is the biggest contributor to population growth in the region. Bulga and Broke in particular have a substantially older profile, with relatively low numbers of young children aged 0-4 years and of the primary family-formation age groups between 25 and 35 years old (HVRF 2013b).
- The area has high in-migration levels and around 20 per cent of current residents have lived outside the area in 2006. The majority of arrivals into the region moved from elsewhere in NSW outside the Hunter Region, followed by people previously resident in Newcastle or Lake Macquarie. The exception to this was Singleton, for which Queensland was the second biggest contributor of new residents, as a result of mining workforce migrations (HVRF 2013b). Mining industry growth contributed significantly to population increases between 2006 and 2011.
- Muswellbrook LGA had the highest level of net in-migration among the LGAs, with only 51 per cent of persons having had the same address five years ago, compared to 57per cent in NSW. The other LGAs more closely matched the average, except for Cessnock LGA in which 60 per cent of the population had the same address five years ago. Bulga SSC had the lowest level of net in-migration amongst the SSCs, with over 71per cent having had the same address five years ago.
- There is a relatively high level of mobility among young adults aged 25-29 years—they were the least likely to have lived in the same LGA five years earlier and most likely to have lived outside the Hunter Region, followed by those aged between 30-34 years (HVRF 2013b).
- Overall, it is estimated that the Hunter Region population will grow from 622,000 in 2012 to about 762,000 by 2036 (Deloitte Access Economics 2013). By this time, the population of the lower Hunter Region is projected to reach approximately 640,000 people (growing from 520,000 in 2012); however, population growth in the upper Hunter Region will be more variable as a result of the cyclical nature of the dominant mining and agriculture sectors, which heavily influence the size and demographic composition of smaller LGAs (Deloitte Access Economics 2013).

Table 4.1 Socio-demographic data Population and demographic indicators

	Bulga SSC*	Broke SSC*	Singleton SSC*	Singleton LGA	Maitland LGA	Cessnock LGA	Muswellbrook LGA	Upper Hunter Shire LGA*	NSW
Population 2011 (count of persons and % population change 2001-11)									
2001	N/A	N/A	N/A	20,384	53,718	45,071	14,746	N/A	6,311,168
2006	321	540	5,783	21,937	61,880	46,206	15,236	12,976	6,549,177
2011	358	636	5,510	22,694	67,478	50,841	15,791	13,753	6,917,660
% population change 2001-06	N/A	N/A	N/A	7.6%	15.2%	2%	3.3%	N/A	3.7%
% population change 2006-11	11.5%	17.7%	-4.7%	3.5%	9%	10%	3.7%	6%	5.6%
Demographic characteristics 2011 (% of total population)									
Male	183 (51%)	328 (51.6%)	2,741 (49.7%)	11,648 (51%)	33,005 (49%)	25,257 (50%)	8,163 (51.7%)	6,865 (49.9%)	3,408,878 (49%)
Female	175 (49%)	308 (48.4%)	2,769 (50.3%)	11,046 (49%)	34,473 (51%)	25,583 (50%)	7,628 (48.3%)	6,889 (50.1%)	3,508,780 (51%)
Indigenous	30 (8.3%)	11 (1.7%)	246 (4.5%)	845 (3.7%)	2,355 (3.5%)	2,456 (4.8%)	847 (5.4%)	537 (3.9%)	172,621 (2.5%)
Age groups 2011 (% of total population)									
0-4 years	18 (5%)	55 (8.6%)	338 (6.1%)	1,651 (8%)	5,043 (7%)	3,801 (7%)	1,246 (7.9%)	984 (7.2%)	458,736 (7%)
5-14 years	58 (16%)	78 (12.2%)	707 (12.8%)	3,381 (16%)	9,778 (14%)	7,064 (14%)	2,358 (14.9%)	1,922 (13.9%)	873,776 (13%)
15-24 years	48 (13%)	69 (10.8%)	798 (14.5%)	3,292 (16%)	9,036 (13%)	6,520 (13%)	2,195 (13.9%)	1,578 (11.5%)	893,101 (13%)
25-54 years	139 (39%)	256 (40.2%)	2,196 (39.9%)	9,564 (45%)	27,351 (41%)	19,732 (39%)	6,639 (42%)	5,257 (38.2%)	2,863,574 (41%)
55-64 years	58 (16%)	113 (17.7%)	571 (10.4%)	2,452 (12%)	7,710 (11%)	6,570 (13%)	1,680 (10.6%)	1,753 (12.7%)	810,290 (12%)
65+ years	39 (11%)	67 (10.5%)	900 (16.2%)	2,354 (11%)	8,561 (13%)	7,153 (14%)	1,676 (10.7%)	2,257 (16.3%)	1,018,180 (15%)
Same usual address 5 years ago 2011 (% of people aged 5 years and over with same address 5 years ago)									
% of persons	71%	59%	58%	57%	58%	60%	51%	58%	57%

Notes: *due to changes in geographical boundaries between the 2001 and 2011 Census, comparisons between these years are misleading and subsequently are not included in this assessment for Bulga, Broke and Singleton SSCs, and Upper Hunter Shire LGA. Therefore, comparisons are limited to the 2006 and 2011 Census for these areas. The data table does not display 'inadequately described' or 'not stated' categories of Census data.

ii Economy and industry

Industries in the Hunter Region include coal mining, agriculture (particularly dairy, beef cattle, vegetable growing and pasture production) and associated service industries, horse breeding, power generation, tourism, viticulture and wine making, and defence (DoPI 2012; HVRF 2013b).

Singleton is the State's largest producer of coal, giving the region a multi-faceted industrial profile. The high export prices for coal in the past decade propelled an expansion of capacity in the region's coalfields, including significant investments in infrastructure in the coal transport chain and the Port of Newcastle. The Hunter Valley Coal Chain is recognised as the largest coal export operation in the world, consisting of 35 coal mines owned by 13 coal producers, more than 27 points for loading coal onto trains, and three port coal export terminals loading more than 1,400 vessels each year through the Port of Newcastle (HVRF 2013b). The Hunter Valley Coal Chain Coordinator Limited (HVCCC) was established in 2009 to assist in the management of the coal chain, with membership including all current Hunter Region coal chain producers as well as service providers. In 2012-13, a record 142.64 million tonnes of coal was exported from the Port of Newcastle, which surpassed the previous year's exports by 17 per cent (HVRF 2013a). The decline in thermal coal prices and high foreign exchange rate over the past two years has seen a downturn in the coal mining industry in the region.

A number of indicators suggest that while mining activity was historically very high, significant declines in Australian thermal coal prices, amongst other factors, over the past two years have had a negative impact on activity. Investment in new tangible assets has fallen by more than half between December 2012 and December 2013. These trends are consistent with the expectation by the HVRF (HVRF 2013a, b) that few additional mining investment proposals will progress in the medium term, excepting moderate expansions of existing mines.

The effects of the mining slowdown are also being observed in the labour market. There is now an excess of qualified mining engineers in NSW (Australian Journal of Mining, 2014), as well as a shortage of positions for mining apprentices and trainees in the Hunter Valley (Australian Mining 2013). HVRF (2013a) note that the unemployment rate in the Hunter Valley region has increased notably since 2011. Recent job losses have also occurred in the wider industry, with approximately 1,500 direct mining jobs lost in the Hunter Valley over the last 18 months (NSW Mining 2014) not including layoffs that occurred in May 2014. These job losses and their respective flow-on effects are representative of the indicators described in Section 4.1.3.

HVRF's measure of employment intentions suggest that further weakness in the Hunter region labour market can be anticipated. Employment intentions have declined since December 2011; HVRF's most recent measures are lower than during the Global Financial Crisis. Similar trends are also evident in the HVRF's Household Survey, which suggests that consumer confidence and purchasing intentions in the Hunter Valley region remains negative. Overall, HVRF conclude that the economic outlook for the Hunter region reflects the end of the previous expansion phase combined with a drive to achieve efficiencies, the effects of which are now being felt by local suppliers, contractors and operational employees.

Agricultural industries in the region are supported by the rich soils, temperate climate, good quality water supply, and proximity and access to Sydney (DoPI 2012). The thoroughbred breeding and viticulture/wine making industries are recognised in the recent NSW Government strategic regional land use planning as Critical Industry Clusters (CIC) (see DoPI 2012). Neither proposal is located in an area designated as a CIC (see Section 4.2.1). The thoroughbred horse breeding industry is situated around Scone in the Upper Hunter Shire LGA. There are more than 70 studs located in the area including international operations such as Coolmore and Darley Emirates (near Denman). Over \$2 billion (AUD) has been invested in the region's stud farms and horses in recent years (DoPI 2012). In 2009, 2,650 Australian thoroughbred horses were exported with a value in excess of \$100 million – representing an increase of more than 50 per cent on the 1,631 horses in 2000 and as much as 90 per cent of the total value of Australian thoroughbred exports (HTBA 2014).

The region's viticulture and wine making industry is a significant contributor to the regional and national economy. The region produces over 39 million litres of premium wine annually – distributed to domestic markets and over 50 countries internationally. The saleable value of this wine is estimated at over \$270 million per year, with flow on value of over \$230 million (HVWIA 2014). There are 125 wineries and over 6,000 ha of vineyard in the region, which is Australia's oldest wine region. Moreover, over 2.8 million tourists visit the wine growing area per annum, which is estimated to generate over \$560 million worth of business in the region (HVWIA 2014).

Key economic and industry statistics and trends in the assessment area include (also see Table 4.2):

- Expansion of the labour force across the assessment area between 2006 and 2011, growing substantially more than for NSW as a whole, largely as a result of increased demand flowing from mining investment (HVRF 2013b).
- Participation rates rose and unemployment rates fell across the assessment area, particularly in Cessnock LGA between 2006 and 2011 (HVRF 2013b). Cessnock LGA continued to have the lowest participation rate, highest unemployment rate, and highest proportion of part-time employment across the LGAs. The unemployment rate was lowest in Singleton LGA (3.3 per cent), followed by Upper Hunter Shire (3.6 per cent), then Muswellbrook (4.8 per cent) and Maitland (5 per cent). Cessnock was the only LGA with an unemployment rate (6.5 per cent) above that of NSW (5.9 per cent).
- Youth unemployment rates were substantially below those for NSW except in Cessnock LGA and had fallen from 2006 levels, particularly in Singleton LGA (HVRF 2013b). Unemployment rates were higher among residents in the assessment area who had not completed Year 12 or equivalent education.
- More recent statistics for 2013 show increases in unemployment rates over the past few years in the Hunter Region in relation to a decline in the mining sector (see HVRF 2013a), although there are signs of stabilisation over the last 6 months to December 2013. Part of this stabilisation is related to a concurrent decline in the participation rate, with more people leaving the labour force due to a worsening labour market or retirement. The stabilisation is also driven by lower interest rates, which has been assisting regional growth, particularly in the housing sector (HVRF 2013a).
- The rates of full-time employment in 2011 were generally at or above the state average across all LGAs and SSCs; except for Cessnock, which had 57 per cent full-time employment and 29.7 per cent part-time employment, compared with rates of 60 per cent and 20 per cent in NSW.

- All income indicators increased across the area between 2006 and 2011, and at a faster rate than for NSW as a whole, with individual incomes rising substantially in Singleton and Muswellbrook LGAs in conjunction with mining investment (HVRF 2013b). Individual incomes in Singleton and Muswellbrook LGAs were \$640/week and \$619/week respectively, significantly higher than for NSW (\$561/week). The other LGAs in the area were much closer to the NSW average, except for Cessnock LGA which remained substantially lower than the average, despite a growth in both personal and family incomes between 2006 and 2011. The SSCs in the assessment area were also generally similar or higher than the NSW individual income averages, with Broke the highest at \$595/week, followed by Bulga \$576/week and Singleton \$558/week.
- Mining is the dominant industry of employment across the assessment area, representing up to 22 per cent of the workforce in Singleton LGA, and up to 21 per cent in Bulga, well above the NSW proportion of 1.6 per cent. While not evident in these figures, the consolidation of the coal mining sector is starting to weigh on the regional economy and the labour market with a reduction in employment in the industry (see HVRF 2013a).
- Other sectors experiencing substantial growth across the assessment area included construction, and other services, also influenced by the growth in mining, while health care and social assistance continued a long-term trend of increasing share of total employment.
- Other important industries in the region include agriculture and associated service industries (although employment levels have generally contracted), horse breeding, electricity production, tourism, viticulture and wine making (see DP&I 2012).
- All LGAs were generally dominated by lower-skilled occupations (ie technicians and trades workers, machinery operators and drivers, labourers) in comparison to NSW, particularly in Muswellbrook and Cessnock LGAs.

Table 4.2 Socio-demographic data Employment and industry indicators

	Bulga SSC	Broke SSC	Singleton SSC	Singleton LGA	Maitland LGA	Cessnock LGA	Muswellbrook LGA	Upper Hunter Shire LGA	NSW
Employment 2011 (% of labour force, people aged 15 years and over)									
Full-time	118 (64%)	200 (61%)	1,734 (64.2%)	7,665 (65%)	19,745 (60%)	12,731 (57%)	4,954 (63.7%)	4,309 (63.6%)	2,007,924 (60%)
Part-time	39 (21%)	86 (26.2%)	671 (24.9%)	2,991 (25%)	9,567 (29%)	6,630 (29.7%)	1,944 (25%)	1,793 (26.5%)	939,465 (28%)
Unemployed	8 (4.3%)	14 (4.3%)	129 (4.8%)	394 (3.3%)	1,641 (5%)	1,449 (6.5%)	375 (4.8%)	243 (3.6%)	196,525 (5.9%)
Median income 2011 (Median income (\$) per week for people aged 15 years and over)									
Individual	\$576	\$596	\$558	\$640	\$562	\$472	\$619	\$552	\$561
Household	\$1,882	\$1,537	\$1,314	\$1,692	\$1,292	\$1,042	\$1,399	\$1,071	\$1,237
Top 3 industries of employment 2011 (% of employed people aged 15 years and over)									
	Coal mining 21.2%	Coal mining 15%	Coal mining 22.8%	Coal mining 22%	Coal mining 5.3%	Coal mining 8.7%	Coal mining 18.5%	Sheep, beef, cattle 10.2%	School education 4.4%
	Cafes, restaurants 4.5%	Beverage manufacturing 6.3%	Cafes, restaurants 4.5%	Cafes, restaurants 3.5%	School education 4.7%	Cafes, restaurants 4.4%	Cafes, restaurants 4.0%	Coal mining 9.2%	Cafes, restaurants 4.1%
	Public order and safety 3.4%	Accommodation 4.4%	School education 3.8%	School education 3.2%	Cafes, restaurants 4.6%	Accommodation 3.6%	School education 3.7%	Other livestock farming 5.9%	Hospitals 3.2%
Top 3 occupations 2011 (% of employed people aged 15 years and over)									
	Machinery operators, drivers 19.7%	Managers 21.1%	Machinery operators, drivers 19.8%	Machinery operators, drivers 19%	Technicians, trades 18.1%	Technicians, trades 19%	Technicians, trades 20.2%	Technicians, trades 17.1%	Professionals 22.7%
	Technicians, trades 17.4%	Technicians, trades 14.5%	Technicians, trades 18.5%	Technicians, trades 18.8%	Professionals 16.6%	Machinery operators, drivers 14.6%	Machinery operators, drivers 17.6%	Managers 16.6%	Clerical, administrative 15.1%
	Labourers 16.3%	Machinery operators, drivers 13.8%	Professionals 13.1%	Professionals 12.4%	Clerical, administrative 14.1%	Labourers 13.4%	Labourers 13%	Labourers 15.9%	Managers 13.3%
Median mortgage repayments / rent 2011 (Median mortgage repayment (\$) per month / Median rent (\$) per week)									
Median rent	\$200	\$265	\$250	\$260	\$259	\$230	\$230	\$170	\$300
Median mortgage	\$2,200	\$1,950	\$1,842	\$2,000	\$1,733	\$1,517	\$1,733	\$1,600	\$1,993

Notes: The data table does not display 'inadequately described' or 'not stated' categories of Census data.

iii Education

Education attainment levels in the assessment area are generally below state averages, particularly in Muswellbrook and Cessnock LGAs. Education continues to be identified as a risk area for the future sustainability of the area, particularly given the growth in knowledge-based employment nationally and the likelihood of declining mining industry employment over the long-term (HVRF 2013b).

Key statistics and trends in education in the region are (also see Table 4.3):

- The number of children attending primary and high school has generally increased or decreased in line with population changes between 2006 and 2011, reflecting minimal changes in attendance rates reported by schools over this period (HVRF 2013b). The proportion attending high school had increased slightly among 14 to 18 year olds, and substantially among 16 year olds between 2006 and 2011, largely in response to legislative change (HVRF 2013b).
- There are eight government schools and two non-government schools in the Singleton LGA, including seven primary schools, one high school and two combined schools (i.e. Years K-12):
 - King Street Public School (government, primary school, 435 enrolments in 2013);
 - Mount Pleasant Public School (government, primary school, 54 enrolments in 2013);
 - Singleton Public School (government, primary school, 428 enrolments in 2013);
 - Singleton Heights Public School (government, primary school, 589 enrolments in 2013);
 - Broke Public School (government, primary school, 59 enrolments in 2013);
 - Milbrodale Public School (government, primary school, 11 enrolments in 2013);
 - Jerrys Plains Public School (government, primary school, 21 enrolments in 2013);
 - Singleton High School (government, high school, 1221 enrolments in 2013);
 - Australian Christian College – Singleton (non-government, combined, 106 enrolments in 2013); and
 - St Catherine's Catholic College (non-government, combined, 876 enrolments in 2013).
- The Muswellbrook LGA has seven primary schools and one high school; the Upper Hunter Shire LGA has 11 primary schools and four high schools/combined schools; Cessnock LGA has 28 primary schools and four high schools/combined schools; Maitland has 19 primary schools and nine high schools/combined schools. The Hunter Institute of Technical and Further Education (TAFE) also maintains a campus in Singleton and Muswellbrook LGAs (ACARA 2014).
- The number of people attending TAFE institutions was unchanged from 2006. The overall number masked a decline in participation by males largely offset by increased participation by females, particularly among 15 to 19 year olds. The decline in male participation was most marked in Muswellbrook LGA, despite the establishment of the Mining Skills Centre within Muswellbrook TAFE, which appeared to attract significant student numbers from outside the LGA (HVRF 2013b).

- The number of students attending university and other tertiary institutions increased, and the increase was greater than for NSW. However, the level of participation within the assessment area (15.5 per cent of 15 to 24 year olds) was still about half that for NSW (33.9 per cent) (HVRF 2013b).
- Year 12 completion rates increased across the area but remained well below the state average, so much so that the gap between the area and the state actually widened between 2006 and 2011. Year 12 completion rates among younger residents (aged 18 to 24) declined across most of the area and most noticeably in Muswellbrook LGA, possibly related to the availability of work and other training options in the mining industry.
- Post-school qualifications were held by higher proportions of residents in Cessnock and Maitland LGAs, and lower proportions of residents in Singleton, Muswellbrook and Upper Hunter Shire LGAs compared with NSW, although there was some narrowing of the gap relative to 2006 for the latter LGAs.
- Among those who held post-school qualifications, the proportion with certificate level qualifications was much higher than for NSW, while the proportion with university level or other graduate qualifications was much lower. This reflects both the structure of the regional labour market and the relative lack of access to university or similar tertiary institutions, in contrast to Newcastle LGA (the location of the closest regional university).
- The Socio-Economic Index for Areas (SEIFA) Index of Education and Occupation rank of Maitland LGA improved between 2006 and 2011, but that of Singleton LGA and, to a lesser extent, Upper Hunter Shire declined, while the very low rankings of Cessnock and Muswellbrook LGAs were virtually unchanged. These results reflect both the relative decline in Year 12 completions and the emphasis on Certificate level qualifications in these LGAs (HVRF 2013b).

Table 4.3 **Education indicators**

	Bulga SSC	Broke SSC	Singleton SSC	Singleton LGA	Maitland LGA	Cessnock LGA	Muswellbrook LGA	Upper Hunter Shire LGA	NSW
Type of educational institution attending (%of persons attending an educational institution)									
Pre-school	0%	9%	6.4%	7.1%	7.3%	7%	6.7%	7.5%	5.9%
Infants/primary	33.9%	28.1%	28.2%	31.5%	30.7%	28.8%	28.7%	32.6%	25.7%
Secondary	26%	25.5%	25.9%	24.9%	23%	22.5%	21.2%	23.3%	21.1%
Technical or further educational institution	13.4%	6.9%	11.3%	9.7%	8.5%	8.2%	7.2%	8.2%	7.9%
University or other tertiary institution	5.4%	3.7%	5.6%	5.6%	9.6%	5.4%	4%	3.9%	14.2%
Other type of educational institution	3.6%	3.7%	1.9%	1.7%	1.7%	1.7%	1.3%	1.3%	2.4%
Highest year of school completed 2011 (%of persons aged 15 years and over who are no longer attending primary or secondary school)									
Year 12 or equivalent	25%	41%	30%	33%	35%	25%	28%	32%	49%
Non-school qualifications 2011 (%of persons aged 15 years and over with a qualification)									
Postgraduate degree level	2%	4%	3%	2%	3%	1%	2%	2%	7%
Graduate diploma / graduate certificate level	3%	0%	1%	2%	2%	1%	2%	2%	3%
Bachelor degree level	17%	19%	14%	15%	16%	11%	12%	14%	25%
Advanced diploma and diploma level	15%	12%	12%	12%	14%	11%	11%	11%	14%
Certificate level	42%	43%	49%	51%	47%	50%	48%	47%	31%

Notes: The data table does not display 'inadequately described' or 'not stated' categories of Census data.

Health data is typically limited in scale and time; such that health databases generally have long lag times and encompass large geographical areas (usually LGAs). Hence, the majority of data used in this health profile is presented for the five assessment area LGAs only, and sourced from several key databases⁴. The data presented in this profile is categorised according to the key population health indicators used by NSW Health: health services and facilities; hospitalisations; deaths; health risk behaviours; and, health status (over the most recent period for which data is available). Key findings across each of these focus areas are listed below.

Health services and facilities

- The region as a whole has a relatively high number and broad distribution of diverse health services and facilities including: a rural referral hospital; district hospitals; community hospital; multipurpose services; a private hospital; residential aged care facilities; community health centres.
- There is relatively good access to a regular general practitioner (GP) with the majority of residents in the broader Hunter Medicare Local region (88 per cent) identifying they have a regular GP. Cessnock (96 per cent) and Maitland (91 per cent) have the greatest proportion of the population with a regular GP, compared to the Upper Hunter Shire (74 per cent) and Muswellbrook (64 per cent). In addition, residents in Muswellbrook (39 per cent) and the Upper Hunter Shire (39 per cent) reported the highest proportion of 'barriers to accessing a GP', generally associated with travel times and the inability to get to appointments on time.
- The ageing population in the region will place significant and growing pressures on governments to meet healthcare service and infrastructure demands into the future.

Hospitalisations

- All LGAs in the assessment area were generally characterised by above average rates of hospitalisation. Singleton and the Upper Hunter Shire LGAs have significantly more hospitalisations per capita overall than the NSW average and all five LGAs also have a significantly higher proportion of potentially preventable hospitalisations than NSW, particularly for lifestyle diseases and risk factors. All LGAs, except for Singleton, have a significantly higher proportion of hospitalisations for coronary heart disease and for diabetes, and all LGAs except for the Upper Hunter Shire have higher than NSW average rates of high body mass related hospitalisations.

Deaths

The most recent available data indicate that the overall cancer death rate was higher in Muswellbrook LGA (94.0 per 100,000 people) and lower in Singleton LGA (68.0 per 100,000 people) than in non-metropolitan NSW (82.4 per 100,000 people).

⁴ Health database sources: Hunter New England Local Health District website, NSW Health (http://www.hnehealth.nsw.gov.au/services_and_facilities); Health Statistics website, NSW Health (<http://www.healthstats.nsw.gov.au>); Social Health Atlas of Australia, Public Health Information Development Unit, University of Adelaide (<http://www.publichealth.gov.au/sha/social-health-atlases.html>); Well-being Watch Report and Hunter Valley Socio-Economic Baseline Study, HVRF (<http://www.hvrf.com.au/regional-research-program>); Hunter Medicare Local Population Health Snapshot, Hunter Medicare Local (www.gpacaccess.com.au/library/Snapshot.pdf).

- Death rates from respiratory disease in the assessment area were lower than in non-metropolitan NSW (9.7 per 100,000 people), with the exception of Muswellbrook LGA which was slightly higher (10.0 per 100,000 people). The most recent air quality and health study in the Hunter Region found no evidence of significantly elevated respiratory issues for residents in the region when compared with the rest of rural NSW (Merritt et al. 2013). A recent review of emergency department data found higher rates for asthma and respiratory disease presentations in this region when compared with Sydney residents; however, higher rates were also noted for a number of rural communities with no potential mining or power generation exposures (NSW Health 2012).
- Road traffic accident deaths are significantly higher in the assessment area than for the remainder of non-metropolitan NSW (7.6 deaths per 100,000 people), particularly in Cessnock (10.5 deaths per 100,000 people) and Singleton (9.7 deaths per 100,000 people).
- The five LGAs reflect state averages with regards to smoking and alcohol-related deaths and all potentially avoidable deaths (except for Cessnock). However, Singleton, Muswellbrook and the Upper Hunter Shire LGAs have significantly more deaths attributable to being overweight or obese than NSW overall.
- The median age at death for all five LGAs was broadly similar to non-metropolitan NSW with Muswellbrook LGA being the lowest at 77 years and Upper Hunter Shire the highest at 81 years (HVRF 2013b).

Health risk behaviours

- Data for the assessment area indicates that the two LGAs with the highest proportion of women who smoke during pregnancy, namely Cessnock (27 per cent) and Muswellbrook (24 per cent), also had the highest proportion of low birth weight babies (7.9per cent and 8.2per cent respectively). Of particular concern in the assessment area are the very high infant and child mortality rates in Cessnock and the Upper Hunter Shire LGAs, which are well above the non-metropolitan NSW average.
- Immunisation rates in the LGA are high, with more than 9 in 10 children in each of the LGAs immunised, which is also similar to the rate for non-metropolitan NSW.
- Generally, over two thirds of residents in the assessment area did not meet the recommended level of physical activity (less than five days of at least 30 minutes of moderate-intensity physical activity per week), particularly in Cessnock and the Upper Hunter Shire LGAs.

Health status and self-reported health

- Only 3 per cent of Hunter residents indicated high levels of psychological distress. Almost one in every six Hunter Medicare Local area residents reported that they needed to access mental health services within the last 12 months, comprising: psychologists (39.0 per cent); general practitioners (32.6 per cent); psychiatrists (12.6 per cent); counsellors (6.8 per cent); community mental health teams (2.4 per cent). The reliance on GPs for mental health services remains quite high in the assessment area, and particularly high in the Upper Hunter Shire and Cessnock LGAs, indicating a traditional reliance on GPs but also a lack of allied health services in these LGAs (HVRF 2013b).
- There are no significant differences in management rates of mental health conditions in the Hunter Valley region compared with the rest of rural NSW. Management rates of depression and anxiety are not higher, nor are prescription rates of antidepressants (NSW Health 2013).

- In 2012, approximately 60 per cent of the adult population in the region reported being in good to very good health, and a further 18 per cent reported excellent health. Just 16 per cent of residents reported fair health and a further 5 per cent indicated poor health. There has been no significant change in health status over time (since 2006) (HVRF 2013d).
- An analysis of GP data for rural communities in close proximity to coalmining and coal-fired power generation in the Hunter Valley indicates there were no significantly higher rates of problems managed or medications prescribed for Hunter Valley region residents compared with the rest of rural NSW. Rates of respiratory problem management in the Hunter Valley region did not change significantly over time, while for all other rural NSW areas, these rates significantly decreased (NSW Health 2013).

v Social and community indicators

There are a range of indicators that reflect the social and community characteristics of an area including: family type and ethnicity; disadvantage; crime; volunteering; and, perceptions of community amenity. A summary of key findings across each of these areas is listed here, with a more detailed profile provided in Appendix B.

Families and ethnicity

- The assessment area generally had a higher proportion of family households than the NSW average in 2011, particularly in Bulga SSC where nearly all households were characterised as family households.
- The distribution of household types across all areas generally shifted closer to NSW distributions between 2006 and 2011, while still maintaining a slightly higher overall proportion of families and a slightly lower overall proportion of lone and group households. Other key characteristics include: the relative dominance of nuclear families (couples with children and no other relatives) in Singleton and Maitland; an above-average proportion of lone person households in the Upper Hunter Shire LGA (with its older age profile); and a relatively high incidence of single parent families in Cessnock LGA (HVRF 2013b).
- Muswellbrook LGA experienced a relatively rapid growth of lone person households, contributing 81 per cent to the net growth in the number of households between 2006 and 2011, combined with a decline (24 per cent) in the number of couple family households with children. Singleton LGA experienced a similar, although less marked, growth of lone person households and a small decrease in the number of couple families with children, while growth in the number of couple families with no children was also a major contributor to net growth in the number of households. Multiple family households grew much faster in Cessnock LGA than elsewhere. Cessnock and Upper Hunter Shire LGAs were also notable for growth in the number of single parent families.
- The assessment area experienced relatively little change between 2006 and 2011 in the ethnic and cultural mix of the population (based on ancestry and country of birth). This relative stability reflected the dominance of Australian-born people (steady at 88 per cent) and those of British heritage.

Disadvantage

- The SEIFA provides a basis for comparison of the level of socio-economic advantage and disadvantage between LGAs (153 LGAs in NSW). The result of the 2011 SEIFA indicate:
 - Cessnock LGA is one of the most disadvantaged LGAs in NSW. Although its rank improved marginally between 2006 and 2011, it remained well below that of all other LGAs.
 - Maitland LGA ranked above the median in 2006 and experienced a substantial improvement in its ranking between 2006 and 2011 on both disadvantage and advantage indices.
 - Singleton LGA had the highest SEIFA scores of any of the LGAs in the assessment area, ranking among the top quarter of LGAs in NSW on both indices in 2011. While there was minimal change in ranking between 2006 and 2011, Singleton LGA measured an increased level of relative advantage, reflecting increased levels of personal and household incomes.
 - Muswellbrook LGA maintained a median level ranking of both disadvantage and advantage within NSW, with a marginal improvement between 2006 and 2011.
 - Upper Hunter Shire LGA showed a increase in its SEIFA rankings, particularly in terms of its relative level of advantage, which rose from well below to above the median for NSW.

Crime

- Relatively high rates of reported criminal activity across much of the assessment area, particularly in Cessnock LGA when compared with NSW. Rates of crime against property, particularly motor vehicle theft and stealing from motor vehicles, were among the highest in the state in Cessnock, Singleton and Muswellbrook LGAs. The rate of reported break and enters to dwellings also increased over most of the LGAs except Maitland.
- Across the assessment area there were improvements in rates of malicious damage to property (Cessnock, Singleton, Muswellbrook LGAs), assault (non-domestic) (Singleton and Cessnock LGAs), and stealing from a dwelling (Maitland LGA).

Volunteering and caring

- Most of the LGAs had rates of volunteering above the NSW average (11.4%), with the exception of the LGAs of Maitland (14.8 per cent) and Cessnock (12.5 per cent). Bulga SSC had the highest rate of all areas, with 23 per cent of those aged over 15 years undertaking voluntary work. Across all the LGAs, rates of volunteering were lower for males than females, in line with state-wide trends (HVRF 2013b).

Perceptions of community amenity

- Social harmony in the local area was rated about the same across the five LGAs, between 2008 and 2013 well-being perception surveys (HVRF 2013d). However, sense of community safety was perceived as worse on balance, significantly more so in Muswellbrook and Cessnock LGAs than the neighbouring LGAs, where over 50 per cent of respondent's perceived deterioration in safety.

- Just over 60 per cent of respondents identified a positive change in the area compared with five years ago, including: more/better shops (most frequently nominated in Singleton and Maitland); better services and/or facilities (most frequently nominated in Muswellbrook); the F3 link (most frequently nominated in Cessnock); improvements related to housing (most frequently nominated in Maitland and Muswellbrook).
- More than 80 per cent of respondents were aware of some negative changes in their area compared with five years ago. Over one-third of respondents said they were not aware of a change. Mining expansion was the most frequently cited negative change in the mining impacted areas, while a proportion of respondents cited the recent mining slowdown as the biggest negative change (HVRF 2013b).
- There was generally a high level of satisfaction with access to services and facilities: there was high satisfaction recorded for sport and recreation facilities across the LGAs; the level of satisfaction with activities and services for older people was second highest; there was moderate satisfaction with education and training opportunities.

vi Housing

Key statistics and trends in housing type, cost and supply/demand in the region are summarised below and in Table 4.4.

- The proportion of occupied private dwellings generally reflects the state average in all LGAs except the Upper Hunter Shire. Both Cessnock and Maitland LGAs have experienced large increases in occupied private dwellings between 2006 and 2011, both in actual number and proportional terms, as a result of significant greenfield housing development throughout these areas (HVRF 2013b).
- As would be expected in these rural areas, there is a predominance of separate houses, as opposed to semi-detached and unit housing (see Table 4.4); however, the increase in these types of housing has been significant since 2006, particularly in Singleton, Maitland and Cessnock LGAs.
- There was a higher proportion of dwellings being purchased and a lower proportion being rented in the assessment area compared with NSW (see Table 4.4). Upper Hunter Shire and Cessnock LGAs contained a larger proportion of fully owned dwellings, reflecting the older population age profile of these areas, while Singleton and Maitland LGAs contained a higher proportion of mortgagees. Muswellbrook had a notably lower share of fully owned housing and a higher share of rental housing than the other LGAs.
- Median mortgage repayments were higher than the state average in Singleton LGA and Bulga SSC (see previous Table 4.2). Mortgage repayments also rose more rapidly than the NSW increase between 2006 and 2011 (HVRF 2013b). The trends in replacement of older retirees with working age residents with a mortgage may have also contributed to this increase. The median rents in the assessment area are lower than state averages providing access to affordable rental housing (see previous Table 4.2); however, the rate of increase was higher than NSW in the assessment area between 2006 and 2011. Despite these increases, housing stress (where the mortgage repayment or rent costs exceed 30 per cent of gross household income, ABS 2011) is low across the assessment area compared to state averages, which may also be aided by high mining-related wages.

- Over the last five years, the regional residential housing market has outperformed NSW benchmarks and those for comparable regions in Sydney and Wollongong. For example, Singleton LGA had the highest median price in the Hunter Region at \$437,000 as at June 2013 – this median was more than 5 per cent higher than the equivalent in Newcastle LGA. Nonetheless, the region’s housing market is currently finding a new balance between the waning stimulus of the mining sector and the rising stimulus from lower interest rates. It is expected that the housing market will lag to some extent, through latent price and construction activity, and market growth in Muswellbrook, Singleton and the Upper Hunter Shire LGAs will stall relative to the more metropolitan LGAs of Cessnock, Maitland, Lake Macquarie and Newcastle (HVRF 2013b).
- Rental price growth for three-bedroom houses has slowed markedly over the year to June. At the same time, indications are that vacancy rates have risen (to 2.9per cent for the Hunter Region as a whole in June 2013). The decline in contract labour arising from the mining sector’s consolidation is driving these trends, although lower interest rates may also be encouraging some First Home Buyers to leave the rental market. This trend provides some respite for tenants marginalised by higher rents, but will also act to reduce provision of rental accommodation to the assessment area over the coming years (HVRF 2013b).

Table 4.4 Socio-demographic data Housing indicators

	Bulga SSC	Broke SSC	Singleton SSC	Singleton LGA	Maitland LGA	Cessnock LGA	Muswellbrook LGA	Upper Hunter Shire LGA	NSW
Dwelling type 2011 (%of all dwellings)									
Occupied private dwellings	76.2%	73.2%	89.8%	89.8%	93.7%	90.5%	88.9%	84.7%	90.3%
Unoccupied private dwellings	23.8%	26.8%	10.2%	10.2%	6.3%	9.5%	11.1%	15.3%	9.7%
Dwelling structure 2011 (%of occupied private dwellings)									
Separate house	100%	98.6%	82.6%	88.8%	88.2%	91.7%	89%	92.0%	69.5%
Semi-detached	0%	0%	5.8%	5.2%	6.2%	4.8%	3.9%	2.0%	10.7%
Flat, unit, apartment	0%	0%	10.6%	4.5%	4.9%	3.0%	5.7%	3.7%	18.8%
Other dwelling	0%	1.4%	0.9%	1.5%	0.7%	0.4%	1.0%	2.1%	0.9%
Dwelling occupation 2011 (average number per dwelling/household)									
Average number of bedrooms per dwelling	3.5	3.2	3	3.3	3.3	3.1	3.2	3.2	3
Average number of people per household	3.1	2.8	2.4	2.7	2.7	2.6	2.6	2.4	2.6
Tenure 2011 (%of occupied private dwellings)									
Owned outright	31.2%	33.8%	33.8%	30.7%	30.9%	34.8%	27.3%	35.3%	33.2%
Owned with a mortgage	46.4%	41.3%	29.4%	39.7%	39.7%	36.3%	33.5%	30.9%	33.4%
Rented	22.3%	23.5%	33.8%	27.3%	26.8%	25.2%	35.7%	29.6%	30.1%
Other tenure	0%	1.4%	0.4%	0.6%	0.6%	0.7%	0.7%	1.1%	0.8%
Housing affordability 2011 (%of households where rent or mortgage repayments are 30%,%%, or greater, of total household income)									
Rent30%or greater	4.5%	2.4%	8.6%	5.8%	8.7%	9.2%	9.9%	6.3%	11.6%
Mortgage 30%or greater	13.0%	7.0%	5.3%	7.5%	8.6%	8.2%	5.9%	6.5%	10.5%

Notes: The data table does not display 'inadequately described' or 'not stated' categories of Census data. Data sourced from: ABS Census, Community Profiles 2011.

There has been considerable investment in infrastructure across the assessment area, with most major projects associated with mining activity and related rail and port infrastructure, particularly the Hunter Valley Coal Chain (HVRF 2013b). Major projects completed by mid-2013 within the region had a total estimated value of \$674 million (BREE 2013). While the bulk of this expenditure flows outside the region, the stimulatory effect on local employment and business is evident in the data, reflecting a robust regional economy over the period.

Recent and proposed major projects in the assessment area include, but are not limited to (HVRF 2013b; see also Section 4.2.2):

- **Education:** almost half of total identifiable public infrastructure investment in the period 2009-2011 in the area was on building upgrades (libraries, halls, outdoor learning areas and classrooms) associated with the previous Federal Government's Building the Education Revolution (BER) programme. Cessnock LGA, with its very low SEIFA score for Education and Occupation, was the main beneficiary of the BER. A total of \$4 million was also allocated to the Upper Hunter Tertiary Education Centre as part of the Resources for Regions funding programme (NSW Government's fund for supporting regional and rural NSW communities affected by mining), to help address skill needs in the coal industry.
- **Transport:** projects to construct or upgrade roads and bridges constituted the second biggest category of public infrastructure. These projects were mostly funded by state grants or local council capital budgets, with a small contribution from the Federal Government, as detailed below:
 - The F3 link or 'Hunter Expressway' provides a 40 km four-lane freeway link between the F3 Freeway near Seahampton, and the New England Highway, west of Branxton and is jointly funded with the Australian Government providing \$1.5 billion and the NSW Government contributing up to \$200 million.
 - The NSW Local Infrastructure Renewal Scheme (LIRS) supported borrowing of \$4.8 million by Upper Hunter Shire Council, and \$1.5 million by Cessnock City Council, primarily for timber bridge renewal and has provided access for councils in the Upper Hunter to a further \$9 million to address maintenance backlogs, and \$16.5 million for revitalisation of the Maitland High Street precinct.
 - Resources for Regions programme awarded: \$3.5 million for upgrades to the Denman Intersection in Muswellbrook; \$7.2 million throughout Muswellbrook LGA as part of the Hunter's Mine Affected Roads Package; \$7.6 million for a roads safety and improvement for the Muswellbrook industrial services centre; \$11.9 million towards CBD renewal to improve traffic flows and Ryan Avenue improvement project in Singleton; \$6 million for upgrades to the Regional Livestock Markets in Singleton.
 - The significant investment in rail infrastructure over the period, through the Australian Rail Track Corporation (ARTC) and the HVCCC has been a major feature of investment in transport infrastructure and development and is planned to continue through to at least 2021, although not necessarily at current levels.
 - Newcastle Airport in Port Stephens LGA remains the only base for commercial air services into the assessment area, having been recently awarded \$11 million through the Resources for Regions programme for a further upgrade of terminal facilities. Small private airfields at Cessnock, Rutherford and Scone do not provide regular passenger flights.

- **Water, sewer, and waste management:** these services, and supporting infrastructure, are provided by Hunter Water in Cessnock and Maitland LGAs, and will be included in the Lower Hunter Water Plan for sustainable provision over the next 20 years, due for release in 2014. The Plan is likely to highlight a recent shift away from investment in water infrastructure to a greater emphasis on the utilisation of existing assets.
- **Civic projects:** public investment in civic infrastructure in the assessment area has included upgrade of the Maitland Regional Art Gallery, a Visitor Information Centre in Singleton, new library in Muswellbrook, and new council chambers in Scone in the Upper Hunter Shire. Projects recently funded through the Hunter Infrastructure and Investment Fund (HIIF) include \$5.7 million for refurbishment of a sporting complex in Singleton, \$2 million for refurbishment of the Upper Hunter Conservatorium of Music, and \$2 million for a regional theatre space within a renovation of Maitland Town Hall.
- **Energy:** until recently, responsibility for power generation infrastructure rested primarily with the State Government, with two major coal-fired power stations managed by State-owned Macquarie Generation in Muswellbrook LGA (Liddell and Bayswater Power Stations). The State Government has invested at least \$48.5 million in upgrading technology at these stations, and in the extension of the solar plant at Liddell. However, future proposals are in doubt following the decision by the State Government to privatise all power generation facilities in the State. The sale of assets is in progress, under the *NSW Electricity Generator Assets (Authorised Transactions) Act 2012*. Redbank Power Station, which was commissioned in 2001 is located to the north of Warkworth Mine. The Power Station is fuelled by beneficiated, dewatered tailings from MTW, delivered by conveyor. It has the capacity to generate 151MW of electricity.
- **Private infrastructure and development:** private investment in infrastructure and development from 2008-2013 was focused on promotion of leisure and tourism industries in Cessnock (two large residential golf course developments) and on new or upgraded commercial premises, primarily shopping centres, in all of the LGAs in the assessment area. This included a \$55 million refurbishment to the Singleton Square Shopping Centre in Gowrie Street, Singleton. Investment in private health and aged care infrastructure was evident in Maitland LGA. In addition, a \$25 million aged care facility has been proposed for Scone. Cessnock's Huntlee Stage 1 development, by the LWP Property Group, has been approved and includes up to 7,500 residential dwellings, 200 ha of employment lands and a mixed use town centre.
- **Government facilities:** a \$97 million upgrade to the Cessnock Correctional Centre, funded by the State Government, was completed in 2012. A \$200 million upgrade to Singleton Army Barracks, funded by the Federal Government, is in progress.

4.1.4 Profile summary

Table 4.5 provides a summary of socio-economic risks and opportunities in the assessment area currently that are of relevance to the proposal. These risks and opportunities have been identified where LGAs/suburbs are underperforming (ie risks) or over-performing (ie opportunities) on state and regional averages for a particular socio-demographic factor. This assessment provides a basis from which to assess any potential changes that might occur as a result of the proposals.

Table 4.5 Relevant existing socio-economic risks and opportunities

Risks	Opportunities
Population	
Loss of population due to mining slow down and variable population change – in response to workforce change in the mining and related sectors (HVRF 2013b)	Stimulatory effects of high rates of population growth in the region, particularly in Maitland and Cessnock Employment and industry capacity supported by growth in working age population Sustainable population growth predicted in Newcastle and Maitland LGAs
Employment and industry	
Declining labour force participation rates, in line with broader national trends Reliance on a dominant industry of employment – mining Consolidation of the mining sector and impacts on employment and the regional economy Dominance of lower skilled occupations Land use conflict between key regional industries in close proximity	Generally low levels of unemployment and youth unemployment (except in Cessnock) Generally high income levels Contribution of the mining industry to employment and associated high incomes and economic benefits Ongoing and long-term growth in the health care and social assistance industry Co-location of strong performing and prominent national industries – horse-breeding, viticulture, agriculture, tourism
Education	
Low rates of Year 12 completion (particularly in Muswellbrook) Very low rates of university level qualifications and high rates of certificate level post-school qualifications	Access to diverse education facilities – including private and public schools, TAFE (Singleton, Muswellbrook-includes a dedicated Mining Skills Centre, and Newcastle) and regional university (University of Newcastle)
Health	
High rates of hospitalisations, particularly in Singleton and the Upper Hunter Shire LGA – for coronary heart disease, diabetes, and high body mass High rates of deaths attributable to being overweight or obese, particularly Singleton, Muswellbrook and the Upper Hunter Shire LGAs Some higher rates of cancer deaths, only in Cessnock and Muswellbrook LGAs High rates of road traffic accidents and death particularly in Cessnock and Singleton LGAs Higher rates of risky alcohol consumption, particularly in Singleton and Muswellbrook LGAs	Generally good access to a range of health services and facilities: including rural, district and private hospitals, multipurpose services, residential aged care, community health services and regular GP services High rates of child vaccination Self-reported health is generally good to excellent Low levels of reported psychological stress
Social and community	
Growth in lone person households, particularly in the mining towns of Muswellbrook and Singleton Lack of ethnic and cultural mix Growing divide between disadvantaged LGAs (Cessnock) and advantaged LGAs (Singleton, Muswellbrook, Maitland) in the region	High rates of family households Generally higher rates of volunteering, except in Cessnock and Maitland

Table 4.5 Relevant existing socio-economic risks and opportunities

Risks	Opportunities
Higher rates of crime particularly motor vehicle theft, stealing from motor vehicles, and break and enters, in Singleton, Muswellbrook and Cessnock LGAs – related to a declining sense of community safety	Good self-reported levels of social harmony
Mining expansion identified as a negative change in the area (HVRF 2013a) (decline also considered a negative change)	Identified positive changes including expansion of retail, services and infrastructure in the region
	Good self-reported access to sport and recreation facilities, aged activities and services, and education facilities
Housing and infrastructure	
Lack of housing type diversity	Housing development and growth particularly in Cessnock and Maitland
Adjustments in the housing and infrastructure sector in response to the decline of mining investment	High rates of housing fully owned or being purchased
	Low levels of housing stress
	Considerable investment in infrastructure across the assessment area, particularly associated with mining activity and related rail and port infrastructure, and including civic, education and other investment
	Rental price decline and rising vacancy rates

4.2 Regional context

This section provides an outline of the governance and industry issues that contribute to the regional context for the proposal. It begins with an overview of the governance context for the proposals—briefly addressing key policies and plans at all tiers of government—before addressing the regional industry and mining context in the Hunter Region.

4.2.1 Governance context

i Commonwealth Government

The current Commonwealth governance context includes a number of potential changes of relevance to the proposal. With the transition to the Coalition Government after the 2013 election, many relevant legislative and policy platforms of the former Labor Government are under review, on hold, or before parliament for amendment or repeal. These platforms include the Securing a Clean Energy Future Plan, Minerals Resource Rent Tax (MRRT), and Commonwealth *Fair Work Act 2009 (FWA)*.

The COAG reform agenda has also shaped the governance context at the Commonwealth level. The underlying premise of the reforms has been greater integration of planning and service delivery and a focus on outcomes, rather than financial and other inputs as measures of progress, together with independent reporting of performance (HVRF 2013b).

The five key themes of the agenda (COAG 2013) are: a long-term strategy for economic and social participation; a national economy driven by Australia's competitive advantages; a more sustainable and liveable Australia; better health services and a more sustainable health system for all Australians; Closing the Gap on Indigenous disadvantage.

The main vehicle for delivery of the reforms agreed between Commonwealth and State Governments was a series of National Partnership Agreements and associated funding arrangements that have been progressively developed. For the assessment area, the most relevant of these agreements include:

- **National Skills and Workforce Development Agreement:** directed primarily at the Vocational and Education Training (VET) system and equipping the working age population to meet the changing needs of the economy, the Agreement aims at halving the proportion of Australians aged 20-64 years without qualifications at Certificate level III and above, and doubling the number of diploma and advanced diploma completions, between 2009 and 2020 (HVRF 2013b). Within the Hunter Region, this reform has been associated with new approaches to the delivery of workforce training and the restructuring of TAFE offerings (partly in response to State Government budgetary constraints) and includes initiatives such as the Muswellbrook Mining Skills Centre—in partnership with the major mining organisations in the area (HVRF 2013b) (see Section 4.1.3 for details on educational outcomes in the assessment area).
- **National Health Reform Agreement:** initiated in 2013, the Agreement amended funding and structural arrangements between the Commonwealth and State Governments for health care provision. Key areas of change included increased funding for primary care through Medicare Locals, a renewed focus on community-based health services, increased Commonwealth responsibility for the health care of older Australians and increased responsibility for the States for young people with a disability. For the Singleton LGA and the Hunter Region, the Agreement engendered a significant transformation in funding sources, accreditation standards and reporting structures for many providers of health and related services. The Coalition Government is expected to maintain the substance of the health reforms (HVRF 2013b).
- **National Partnership Agreement to Deliver a Seamless National Economy:** aims to implement 45 separate reforms (deregulation, areas of competition and reform to regulation making and review processes) across diverse sectors. These include several reforms of particular relevance to the assessment area and RTCA operations, namely: mine safety; infrastructure – regulation of significant ports (associated National Ports Strategy); occupational licensing; heavy vehicle transport; and, rail safety (HVRF 2013b).

Until these regulatory and planning frameworks are altered or withdrawn, they remain important aspects of the governance and social context for the proposal. The current Government is likely to maintain the majority and substance of these reforms; however, the Coalition has flagged a reduction in the Commonwealth Government bureaucracy by increasing State Government responsibilities, which marks a shift away from the ‘collaborative federalism’ model.

ii NSW Government

At the State Government level, the most important policies and plans shaping the governance context for the proposal are the: State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 (Mining SEPP); and, the Strategic Regional Land Use Plan (SRLUP) [including the Upper Hunter Strategic Regional Land Use Plan (UHSRLUP)], detailed below.

State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 (Mining SEPP)

The Mining SEPP aims to provide for the proper management and development of mineral, petroleum and extractive material resources for the social and economic welfare of the State. The SEPP establishes planning controls to encourage ecologically sustainable development through the environmental assessment and management of the development of these resources. The SEPP gives legal effect (via an amendment) to the Upper Hunter Critical Industry Cluster (CIC) and the Gateway Assessment Process, both critical to land use and assessment issues for the proposal (see discussion of CICs and the Gateway Process in Strategic Regional Land Use Plan below).

On November 4 2013, the NSW Government published an amendment to the SEPP [Amendment (Resource Significance) 2013] which seeks to:

- ensure the significance of the resources (major or minor) must be considered in the decision-making process as an important, but not the only, factor;
- stipulate the key environmental, ecological and amenity criteria to protect water resources, habitat and amenity;
- require that the economic and environmental issues mentioned above are properly balanced; and
- elevate the importance of the Office of Environment and Heritage (OEH) in the assessment process, by ensuring a consent authority must consider OEH's advice on biodiversity mitigation and offset measures (NSW Planning & Infrastructure 2013).

The greatest weighting is afforded to the economic benefits of the activity to the State and the region in which the development occurs and to the relative significance of the resource when compared with other resources across NSW.

The Mining SEPP establishes specific criteria for noise, air quality, air blast overpressure, ground vibration and aquifer interference. For these, the Mining SEPP states that the criteria are non-discretionary development standards for the purposes of section 79C (2) and (3) of the EP&A Act. This means that if a mining development, which is the subject of a development application, complies with those standards, the consent authority:

- is not entitled to take those standards into further consideration in determining the development application;
- must not refuse the application on the ground that the development does not comply with those standards; and
- must not impose a condition of consent that has the same, or substantially the same, effect as those standards but is more onerous than those standards.

Strategic Regional Land Use Plan (SRLUP) [including the Upper Hunter Strategic Regional Land Use Plan (UHSRLUP)]

The SRLUP was developed to better manage the potential land use conflicts arising from the location of agricultural land and the mining and coal seam gas (CSG) industries, with the goal of protecting valuable agricultural services and land. Importantly, the SRLUP contains provisions for the creation of CICs and the establishment of the Gateway Assessment Process, described below:

- **CICs** are concentrations of highly productive industries within a region that are related to each other, contribute to the identity of that region and provide significant employment opportunities. Designation of an area as a CIC prevents new coal seam gas activity within the area and requires proposals for State-significant mining projects within the area to go through the Gateway Assessment Process. One such CIC is the Upper Hunter CIC, designated to protect the thoroughbred breeding and viticulture industries in the Hunter Valley (see also Section 4.2).
- **The Gateway Assessment Process** is an independent, scientific assessment of the impact of new State-significant mining and coal seam gas proposals on strategic agricultural land and its associated water resources. Strategic agricultural land comprises: biophysical strategic agricultural land – land which has the best quality soil and water resources and is capable of sustaining high levels of productivity; and, CIC land – concentrations of highly productive industries within a region that are related to each other. The Mining and Petroleum Gateway Panel, comprising independent scientific experts, oversees the process, which must occur before an applicant can submit a development application. The Commonwealth Government are also involved in the process, through a Referral Protocol of the National Partnership Agreement on Coal Seam Gas and Large Coal Mining Development (discussed above), which ensures that all project decisions in NSW which could have a significant impact on a water resource will consider the advice of the Commonwealth's Independent Expert Scientific Committee (CIESC).

As a component of the SRLUP and finalised in January 2013, the UHSRLUP provides a framework for decisions about competing land uses for agricultural, resource extraction and residential development in the Upper Hunter (incorporating Singleton, Muswellbrook, Dungog, Upper Hunter and Gloucester LGAs). The UHSRLUP:

- identified and mapped strategic agricultural land (SAL) and other resource areas in the Upper Hunter and the Gateway Assessment Process for the Upper Hunter CIC;
- set policy objectives around infrastructure, provision of land for employment development and housing, provision of health and community amenity services, the natural environment and climate change, and cultural heritage; and
- provided links to a proposed Upper Hunter Infrastructure Plan, Upper Hunter Workforce Plan and Upper Hunter Urban Development Plan, and to implementation of recommendations in the Upper Hunter Economic Diversification Report.

Other relevant NSW policies and plans include:

- **Lower Hunter Regional Strategy (LHRS)/ Lower Hunter Regional Growth Plan (LHRGP):** the LHRS guides local planning and informs decisions on service and infrastructure delivery in the five LGAs of Newcastle, Lake Macquarie, Port Stephens, Maitland and Cessnock. The strategy focuses on several key themes, including: housing supply; job creation; development of growth centres; establishment of green corridors; and, protection for high quality agricultural land and natural resources. The NSW Government is currently working through the process of replacing the LHRS with the LHRGP. The primary focus of the LHRGP is to align new housing and jobs with the new Hunter Transport Plan and Hunter Strategic Infrastructure Plan.

- **Hunter Regional Action Plan 2021:** documents priorities for an integrated land use, transport and infrastructure investment framework, aligned with the NSW State Plan 2021. The plan provides a comprehensive list of short-term priorities and commits funding for the Hunter Region as a whole. Planned actions with particular relevance to this proposal include: development of the Upper Hunter Workforce Plan; public road infrastructure projects in Singleton and Muswellbrook; completion of the Hunter Expressway; preliminary planning for Singleton and Muswellbrook bypasses; delivery of an agribusiness energy efficiency programme in Upper Hunter and Singleton LGAs; upgrade of Muswellbrook Hospital Emergency Department (HVRF 2013b).
- **The Economic Assessment of Mining Affected Communities (NSW Trade & Investment):** identified the disparity between State revenues from mining affected communities and the total amount spent by State Government on local infrastructure and services. The assessments, conducted in 2011 and 2012, identified Singleton and Muswellbrook LGAs as the two communities where revenues were significantly greater than expenditure, particularly on a per capita basis, while the reverse was true in most other mining affected LGAs, particularly Cessnock. The assessments underpin the Resources for Regions grant funding programme for infrastructure projects in eight mining affected LGAs that align with the State Infrastructure Strategy (HVRF 2013b).
- **Upper Hunter Economic Diversification Project:** commissioned by the six Upper Hunter councils and primarily funded by the NSW Government in 2011, the project's principal objective was the identification of new and emerging business and employment opportunities over the next 25 years, with a strong focus on economic planning activities to 2016. The plan identifies issues for the region including a narrow industry base, uneven population growth, environmental issues, competing land use and resource issues, and the availability of local jobs. Proposed strategies to strengthen and diversify the Upper Hunter economy included: increasing local populations to build on existing critical mass; building on specific industry strengths and local advantages; developing new industries based on emerging opportunities; and, developing knowledge intensive activities.
- **Hunter Strategic Infrastructure Plan (HSIP):** has been progressively developed by the Hunter Development Corporation (in collaboration with other NSW Government agencies, the Commonwealth Government and its affiliated bodies, and Hunter Councils). The HSIP seeks to provide the strategic framework for infrastructure investment in the Hunter Region, to better understand the infrastructure capacity of the region, and to identify areas where infrastructure could be enhanced to boost productivity. The plan primarily focuses on the Lower Hunter. The HSIP is currently awaiting approval by the Federal and NSW Governments (HVRF 2013b).

iii Local government

Over the past decade, the local governance has been marked by an increasing focus on the integration of planning and service delivery across tiers of government, coupled with requirements for improved community consultation and greater transparency in reporting. This transition has been recently advanced by the progressive implementation (since 2009) of the Integrated Planning and Reporting Framework (IPR), under amendments to the NSW *Local Government Act 1993* (LG Act). The specific aims of the IPR framework are to: improve integration of various statutory planning and reporting processes undertaken by councils; strengthen councils' strategic focus; streamline reporting processes; and, ensure that the LG Act and the Integrated Planning and Reporting Guidelines support a strategic and integrated approach to planning and reporting by local councils.

The IPR requires all local governments to develop 10-year Community Strategic Plans (CSPs), in consultation with their communities, to better capture the community's aspirations and priorities and to create closer synergies with State and Federal plans. The CSPs must address social, environmental, economic and civic leadership issues in an integrated manner, must be based on the social justice principles of equity, access, participation and rights, and must give due regard to the State Plan and other relevant State and regional plans. The CSP must interact with local councils' Resourcing Strategies (budgetary, workforce, and asset management) and Local Environment Planning (LEP) instruments, and the CSP must in turn feed into councils' Delivery Programs (4 year cycles) and Operational Plans (1 year cycles). The IPR requires continual monitoring and reporting (to the Department of Local Government).

The IPR processes have highlighted revenue shortfalls for local governments, including Singleton and neighbouring LGAs, particularly related to maintenance of assets (roads, community infrastructure). This has resulted in applications to the Independent Pricing and Regulatory Tribunal (IPART) for special rate rises above the Rate Cap set in NSW (with varying degrees of success), and in internal reviews to increase efficiency of service delivery.

In June 2012, Singleton Council released and endorsed its CSP 'Our Place: A Blue Print for 2022'. The plan incorporated consultation with over 800 stakeholders across the Singleton LGA in 2011 and rests on the four pillars of community, places, environment and leadership. Each pillar of the CSP includes projected outcomes matched to specific strategies, indicators and required relationships. Other key policies and plans for the Singleton LGA include:

- Singleton Land Use Strategy (SLUS): incorporates Singleton Council's key land use policies and principles and baseline information for preparation of Council's Local Environmental Plan (LEP). The SLUS identifies potential infrastructure requirements, indicates land potentially suitable for rezoning, and outlines the State Government's perspective that 'Singleton has sufficient land zoned in the Singleton Heights area for approximately 2,000 new dwellings' (UHSRLUP 2013). The main area for future residential development is the North Singleton area, with the Hunter Green and Bridgeman Ridge residential areas expected to yield between 1,100 and 1,200 lots and the proposed Gowrie Links residential area yielding a further 450 to 550 lots.
- Singleton Town Centre Master Plan: key objectives of the master plan include – recognising and protecting the role of the Singleton Town Centre; encouraging opportunities for economic growth and new businesses; increasing opportunities for town centre residential living (including higher density and affordable housing); ensure high quality urban design outcomes; strengthen association of the town centre with the Hunter River; identify site consolidation and redevelopment opportunities; and, protect the character of residential precincts and heritage conservation areas.

Given its geographical position, Singleton Council has had significant involvement with the coal mining sector. Primary issues of concern for the Council in relation to coal mining in the Singleton region include: housing and accommodation (a housing strategy is currently being developed in line with the objectives of the CSP); loss of community, sense of rural place, and village life; pressure on infrastructure and services; the inflationary and deflationary effects on the LGA of coal industry economic movements; drive in/ drive out (DIDO) workforces; health and community impacts of mining shift work; and the distributional inequities of the benefits and costs of mining operations (Singleton Council 2012).

The Local Government governance context for the proposal is also informed by the policies and plans of neighbouring assessment area LGAs—the key instruments of which are outlined in Table 4.6.

Table 4.6 **Neighbouring Assessment Area LGA Governance Context**

Council	Policy/ Plan	Focus
Muswellbrook	2013-2023 CSP	Incorporates the Community Engagement Strategy and integration with LEP and State planning instruments
	Residential and Rural Residential Strategy 2013	Housing and land development trends, opportunities and constraints
Upper Hunter	Community Engagement Strategy 2010	Outlines a framework for development of the CSP (yet to be finalised)
	Upper Hunter Shire Land Use Strategy 2011	Land use strategies to guide housing development. Also guided development of the new Upper Hunter LEP (replacing Scone LEP, Merriwa LEP and Murrurundi LEP)
Cessnock	Cessnock 2023 CSP	Community development, place-making, sustainability and economic development
	City Wide Settlement Strategy 2010	Seeks to implement the requirements of the LHRS and accommodate projected population increases from the Hunter Expressway development
Maitland	Maitland + 10 CSP	Community and economic development in light of significant population increases and structural adjustment
	Maitland Urban Settlement Strategy 2013	Implications of new urban development, including effects on servicing, existing land uses, environmental values and the historic and rural character of Maitland

iv Political context

The Singleton region is represented federally by Joel Fitzgibbon (Australian Labor Party) in his now 18 years as Member for Hunter. Mr Fitzgibbon currently serves as Shadow Minister for Agriculture in opposition and sits on the Standing Committee on Agriculture and Industry. The major neighbouring electorate, Paterson, is represented by Bob Baldwin (Liberal Party) who serves as Parliamentary Secretary to the Minister for Industry.

At the State Government level, the Singleton LGA falls within the electorate of the Upper Hunter, which is represented by George Souris (National Party) in the NSW Government. The neighbouring electorates of Maitland and Cessnock are represented by Robyn Parker (Liberal Party) and Clayton Barr (Australian Labor Party) respectively.

Local councils in the project area are principally composed of independent representatives, particularly in the Singleton, Muswellbrook and Upper Hunter LGAs. Political party membership among candidates and elected councillors is more customary in Cessnock and Maitland LGAs. The Mayors of Cessnock, Maitland and Singleton are popularly elected, while those of Muswellbrook and Upper Hunter Shire are elected by their fellow councillors. Singleton Council changed its council structure in 2012, abolishing the wards system and moving to an elected Mayor and nine elected councillor system. The current Mayor is John Martin OAM.

As is evident from the political context outlined above, great variability exists across tiers of government. The often overlapping electoral landscape includes all three major political parties and, at the local level, a proportion of Independents.

4.2.2 Industry and mining context

i Industry context

Mirroring changes in the broader Australian economy, the industry context for the proposal is characterised by structural adjustment away from heavy industries and manufacturing and towards primary industry (mining and agriculture), the services sector, and construction, transport and wholesale trade (see also Section 4.1.3). The growth of the resources sector over the past decade has catalysed concern over the development of a ‘two-speed economy’, where industry imbalance leads to distributional inequities. This concern particularly increased during the period in the wake of the GFC, in which overall economic growth has been driven by the resources sector in Australia, other sectors of the economy (particularly manufacturing and retail) have stalled or declined, and governments at all levels have begun to address budget deficits (Deloitte Access Economics 2013; HVRF 2013b).

A Deloitte Access Economics (2013) report, commissioned by Regional Development Australia, suggests that the Hunter economy is likely to experience higher average annual economic growth (2.4 per cent) when compared with the rest of NSW (2.1 per cent) to 2036. The report predicts mining sector growth in the region and suggests that this growth will stimulate other sectors of the economy, including coal supply networks and the construction, transport and wholesale trade sectors (see Figure 4.2 for a map of the Hunter Region coalfields). It goes on to outline the major influences facing Hunter industry over the coming decades, including:

- **Integration with Asia:** implications for coal and gas, agriculture, education and services sectors.
- **Changing settlement patterns:** robust population growth, housing supply, service and infrastructure pressures.
- **Transitioning to a less carbon intensive economy:** necessitates economic diversification and innovation.
- **Digital economy advancements:** continued growth in advanced information technologies driving business innovation and adjustment, health and education delivery changes, and economic diversification.

Key risks to Hunter industry include a weakening of the mining sector beyond 2020 due to softer demand, and continued deterioration of the heavy industry sector due to global competitiveness pressures and transitions to lower emissions activities. In assessing the balance of risks in the region, the report (Deloitte Access Economics 2013: ix) notes that:

In considering the overall economic opportunities and risks for the Hunter over the next two decades, it should be noted they are unlikely to be balanced evenly. The economic upside for the region is likely to manifest in stronger and more balanced growth and consolidation. In effect, growth is driven by greater development prospects for the region’s strategic industries.

In contrast, the downside risks are likely to be more abrupt — potentially involving the closure or substantial downscaling of parts of the region’s industrial base and a large reduction in regional employment.

As such, the development of a two-speed economy in the Hunter Region is a distinct risk facing Hunter industry and one that governments, planners and industry must address in strategic planning instruments.

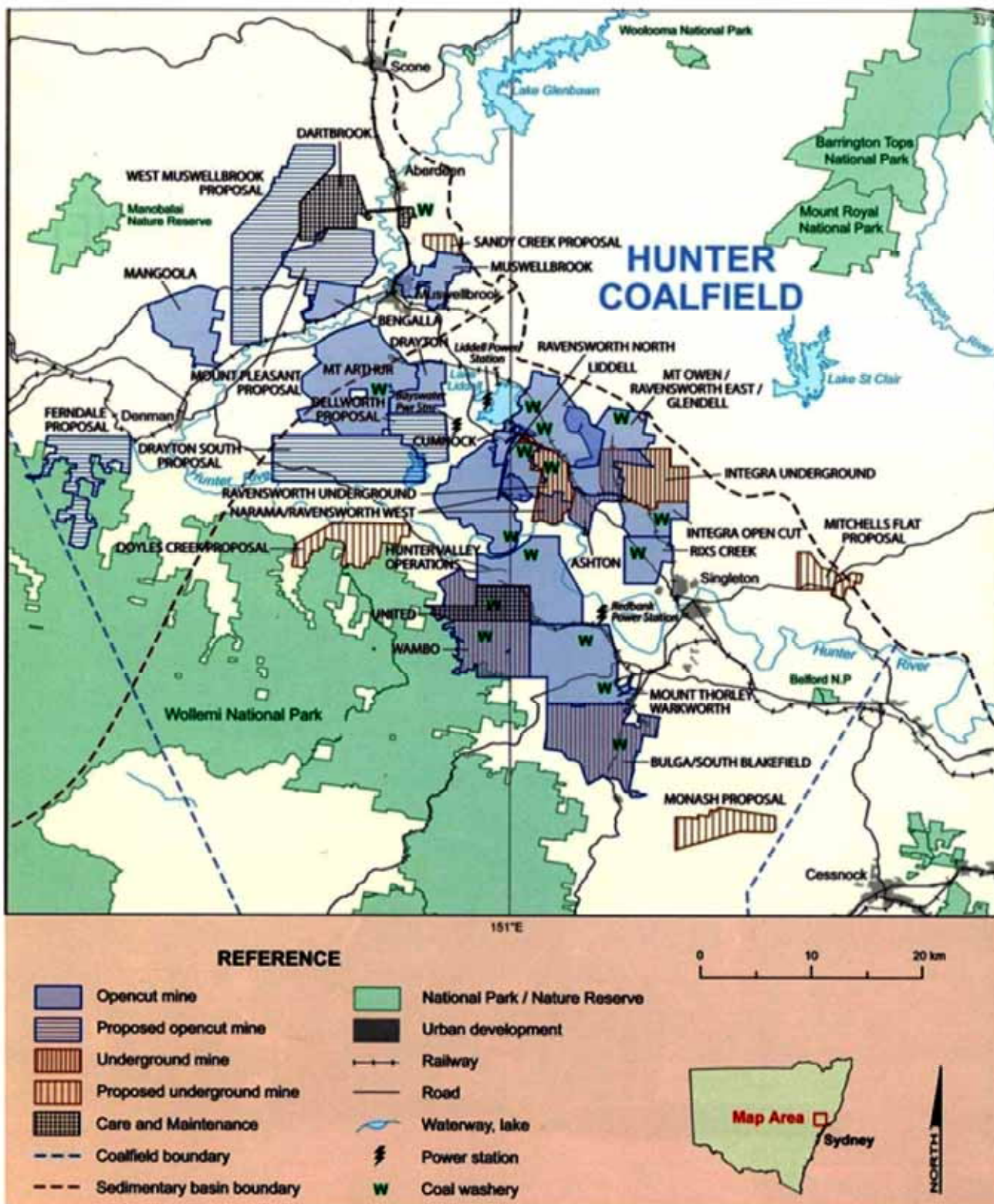
Deloitte Access Economics (2013) noted that, with 40 per cent of the State's coal resources located in the Hunter, the mining industry accounts for approximately a quarter of the Hunter economy and employs around 17,700 full-time equivalent workers—representing around 7.2 per cent of the regional workforce. Moreover, the sector is projected to contribute around 24.2 per cent of total regional output by 2036—representing an increase of almost 2 per cent from 2012. In the Upper Hunter, mining contributes almost 60 per cent of economic output (Deloitte Access Economics 2013).

The Upper Hunter Mining Dialogue (UHMD) was established in 2012. The UHMD brings together the nine coal producers of the Upper Hunter, community, environmental, agricultural and business groups, as well as local government and state government agencies, to address the cumulative impacts of mining and growth in the region. Throughout 2012 and 2013, industry and stakeholders participated in a series of workshops to establish five year goals and associated projects in the areas of: water; emissions and health; social impacts and infrastructure; and land management.

Joint Working Groups, made up of industry and stakeholders, are guiding the development of the projects and the selection of new projects to continue progressing towards the five year goals (NSW Minerals Council 2014). An example of this is the current Grazing Study which Coal & Allied is providing a pilot site for. The aim of the project is to answer the question “Can rehabilitated mine land sustainably support productive and profitable grazing in the Upper Hunter Valley, NSW?” Cattle will graze on rehabilitated mine land and on un-mined sites (analogue sites), chosen because they are representative of the area. The study will take four years and will allow comparisons of the sites to be made across a number of measures, including: animal health; soil and pasture composition; and economic outcomes.

Over the past decade, the mining industry context for the proposal has significantly changed, including: an almost doubling of global commodity prices (despite recent weakening); a major restructure of the contractual arrangements for the movement of coal; significant upgrades to coal chain transport and ship-loading infrastructure; and substantial expansion of production capacities (HVRF 2013b). Nevertheless, the slowing of the coal mining sector is starting to impact the regional economy and the labour market.

As described in Section 4.1.3ii, recent job losses have also occurred in the wider industry, with approximately 1,500 direct mining jobs lost in the Hunter Valley over the last 18 months (NSW Mining 2014) not including layoffs that occurred in May 2014. These job losses and their respective flow-on effects are representative of the indicators described above (refer to Section 4.1.3).



Source: NSW Trade & Investment, Resources & Energy (2013)

5 Social impact assessment

5.1 Introduction

The assessment of potential social changes under the proposals grouped as follows:

- socio-economic impacts;
- impacts on community services; and
- stakeholder perceptions and assessment outcomes.

As noted in Section 1.2, the SIA has been based on the combined proposals. It considers the key changes that may result, either directly or indirectly, from the proposal proceeding. Where relevant, an assessment of social impacts/ opportunities has been provided for each proposal; for example, if a potential impact or opportunity relates exclusively to one proposal but not the other.

5.2 Socio-economic impacts

5.2.1 Perceived socio-economic impacts

The economic study prepared for the EIS considers the net economic benefits and the regional and state impacts of the proposals (the proposals scenario) relative to a no development case (referred to as the reference scenario). In the reference scenario, it assumed that the development application for the Warkworth Continuation 2014 (and MTO 2014) is refused.

The reference case is provided as a basis for conservatively evaluating the incremental value of the proposal. However, as described the economic assessment (Appendix F of the EIS), the reference case is not likely to eventuate as mining under this scenario would not be economically viable due to extraction constraints when mining in West Pit at Warkworth Mine is forecast to reach consent limits in 2015. The SIA adopts the same conservative assumption.

As part of the stakeholder consultation process, stakeholders were asked to consider the socio-economic impacts if the proposals did not proceed and the reference case eventuated.

Some stakeholders, particularly near neighbours, felt that there would be minimal negative impacts if Warkworth Continuation 2014 (and Mount Thorley Operations 2014) did not proceed, suggesting that most employees would continue at MTW in the short-term or move to other mining operations.

Other stakeholders identified job losses as an immediate and critical impact if the proposals did not go ahead. These stakeholders commonly described the loss of 1,300 jobs at MTW operations and the negative impacts this would have on the local economy and community. The commonly identified impacts of these job losses included:

- workers and their families moving away from the area;
- workers and their families faced with unemployment and financial difficulties;
- reduced local spending;
- decreased local businesses;

- population decline; and
- reduced community life and participation.

These stakeholders also commonly identified the flow-on negative impacts on local suppliers, other businesses and on the local economy and community generally. These matters are discussed below.

5.2.2 Continuation of employment and net benefits

As noted above in Section 5.2.1 the economic study considered both the net economic benefits and the regional and state impacts of the proposals (the proposals scenario) relative to a no development case (referred to as the reference scenario). In the reference scenario, it assumed that the development application for the Warkworth Continuation 2014 (and MTO 2014) is refused.

The two scenarios differ in terms of their production and employment (and associated costs) profiles. In the proposal scenario, current average employment and production levels would continue until 2030 and decline toward the end of the open cut life with production complete by the end of 2035. In the reference scenario, coal production and employment would begin to decline from 2016 onwards and would cease by 2021.

The economic study prepared by BAEconomics (Appendix F of the EIS) states that while mining activity has been historically very high, a number of indicators suggest that significant declines in Australian thermal coal prices, amongst other factors, over the past two years have had a negative impact on economic activity. Capital investment in new tangible assets in the mining sector has fallen by more than half between December 2012 and December 2013. These trends are consistent with the expectation by the HVRF that few additional mining investment proposals will progress in the medium term, excepting those required to maintain economic production that require minimal upfront capital.

In addition, HVRF's Upper Hunter Region Economic Indicators (HVRF 2014), states that "business conditions in the Upper Hunter through calendar year 2013 were the most difficult, and affected the greatest number of businesses, since the HVRF's Business Survey began in 2001".

The effects of the mining slowdown are also being observed in the labour market. In a reversal of trends of the more recent past, there is now an excess of qualified mining engineers in NSW (Australian Journal of Mining 2014), as well as a shortage of positions for mining apprentices and trainees in the Hunter Valley (Australian Mining 2013). HVRF note that the unemployment rate in the Hunter Valley region has increased notably since 2011.

HVRF's measure of employment intentions suggest that further weakness in the Hunter region labour market can be anticipated. Employment intentions have declined since December 2011. HVRF's most recent measures are lower than during the Global Financial Crisis. Similar trends are also evident in the HVRF's Household Survey, which suggests that consumer confidence and purchasing intentions in the Hunter Valley region remains negative.

The economic study assumed that, in the event that the proposal application is refused and MTW closes by 2021, 30 percent of employees made redundant would be re-employed in the same year, and that 40 per cent of employees made redundant would be re-employed in the subsequent year. The remaining 30 per cent of people are assumed to either leave the workforce altogether or to move interstate. Based on the declining economic conditions described above and the significant recent loss of jobs at other mines in the Hunter Valley, these are considered to be conservative assumptions.

It is clear that the proposal provides significant economic benefits. The benefits of MTW include annual average employment of almost 1,300 full time people on average, approximately \$6.1billion in additional expenditure (including capital investment), and over \$617million in royalties.

In net present value (NPV) terms, the proposals combined would deliver net benefits to NSW of around \$1.5billion.

The economic flow-on effects attributable to Warkworth Continuation 2014 in NPV terms amount to:

- for NSW, the additional disposable income received by employees of \$346 million, additional annual employment of 191 full time employees, and a contribution to NSW gross operating surplus of \$407 million;
- for the Mid and Upper Hunter region, the additional disposable income received by employees of \$204 million, and additional annual employment of 198 full time employees; and
- for the Singleton LGA, the additional disposable income received by employees of \$75 million, and additional annual employment of 57 full time employees.

The economic flow-on effects attributable to Mount Thorley Operation 2014 in NPV terms amount to:

- for NSW, the additional disposable income received by employees of \$39million, additional annual employment of 15 full time employees, and a contribution to NSW gross state product of \$45million;
- for the Mid and Upper Hunter region, the additional disposable income received by employees of \$23million, and additional annual employment of 16 full time employees; and
- for the Singleton LGA, the additional disposable income received by employees of \$9million, and additional annual employment of 4 full time employees.

These benefits would not be realised should the proposals be refused.

i **Direct employee contribution to the regional economy**

The employee survey estimated the percentage income that is spent by participants in their LGA. Over two-thirds of employees estimated that they spent between 30 per cent and 80 per cent of their incomes in their LGA. Almost a third of all employees estimated their local spend in the 70 per cent to 90 per cent band (Figure 5.1). A much higher percentage was spent in the entire Hunter Region.

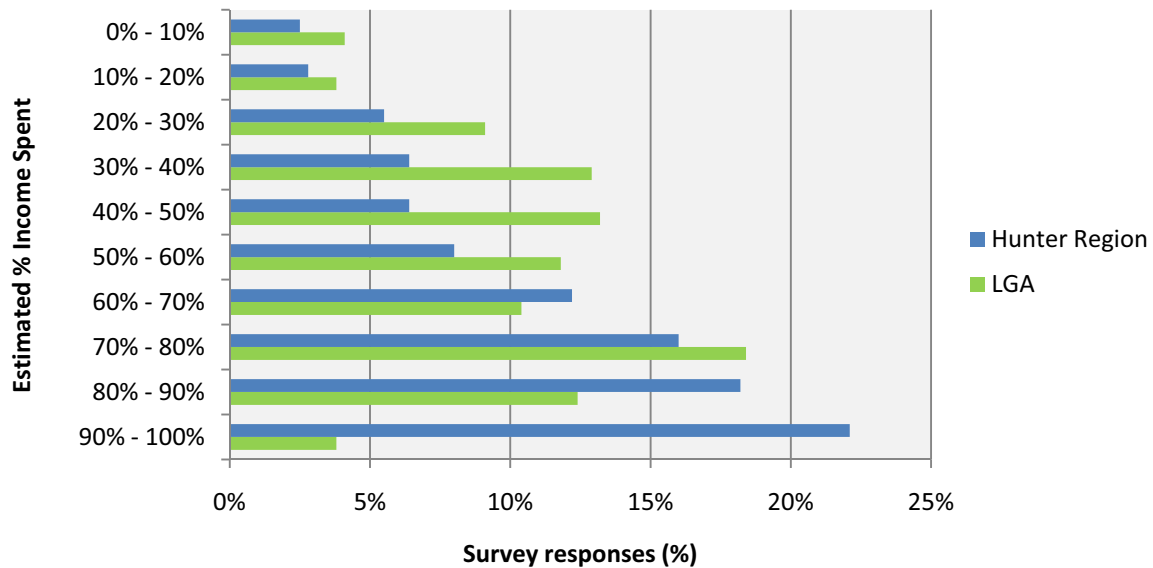


Figure 5.1 Estimated income spent in LGAs and the Hunter Region

The employee contribution to the regional economy would be substantially reduced should job losses occur and current employees either left the region to find employment, stayed in the region but were unable to find employment or their income was reduced in an alternative place or work in the region.

ii Population decline

The stakeholder consultation process identified a common concern that workers and their families would move away from the area if the proposal was not to proceed. The potential impacts of these concerns can be assessed by comparing the proposal scenario discussed in the economic study.

As described in the economic assessment (Appendix F of the EIS) the reference scenario conservatively assumed that of the employees made redundant, 70 per cent (910 people) of would be re-employed in the same year or the subsequent year. The remaining 30 per cent (390 people) were assumed to either leave the workforce altogether or to move interstate. If it is assumed that of those who are not re-employed, 50 per cent move from the region, 195 former employees would leave the region.

Assuming the impacts on the workforce in the reference scenario are equal across all regions, the impacts within the different LGAs are presented in Table 5.1.

Table 5.1 Employee residential location and impacts of reference scenario

LGAs	Percentage of workforce	Employees	Not re-employed Remain in the region (15%)	Not re-employed Leave the region (15%)
Upper Hunter and Muswellbrook	3.0	39	27	6
Singleton	34.9	454	318	68
Maitland	17.1	222	155	33
Cessnock	19.4	252	176	38
Great Lakes	1.5	20	14	3

Table 5.1 Employee residential location and impacts of reference scenario

LGAs	Percentage of workforce	Employees	Not re-employed Remain in the region (15%)	Not re-employed Leave the region (15%)
Dungog	0.8	10	7	2
Port Stephens	8.1	105	74	16
Newcastle	6.9	90	63	14
Lake Macquarie	6.1	79	55	12
Other	2.2	29	20	4
Total	100	1300	910	195

Notes: Totals may differ due to rounding.

Based on an average number of people in each household of 2.7 (2011 census data for Singleton LGA) and assuming that 195 former employees leave the region as a household unit, a total of 527 people would leave the region in the reference case. The approximate distribution of these departures is provided in Table 5.2.

Table 5.2 Population decline

Area	Not re-employed Leave the region (15%)	Population decline (employees + family members)*
Upper Hunter and Muswellbrook	6	16
Singleton	68	184
Maitland	33	89
Cessnock	38	103
Great Lakes	3	8
Dungog	2	5
Port Stephens	16	43
Newcastle	14	38
Lake Macquarie	12	32
Other	4	11
Total	195	527

Notes: * Based on an average household size of 2.7.

Totals may differ due to rounding.

Flow-on benefits (jobs) from direct employment provide additional jobs in the community. Reducing direct employment therefore also reduces these flow-on jobs in the community. Therefore, the total number of people leaving the region would be expected to be greater than the 527 former employees and their families.

iii Impact on housing market

Consultation with stakeholders (including Singleton residents, businesses and real estate agents) suggested that the recent contraction of the coal industry had contributed to the weakening of the property market through decreased demand. Local business stakeholders (Singleton-based real estate agents) suggested that the market was 'over-heated' during the coal mining boom, and that current soft property market figures may reflect a recalibration of the market towards a more realistic and stable trend.

This is demonstrated in recent property market data for the Singleton LGA (Housing NSW 2014) which shows a decline in sales results and a dramatic fall in rental returns for Singleton LGA. Median sales prices fell consistently in 2013 (almost 9 per cent annual decline for all properties) and rental returns fell by approximately 25 per cent on average in the 12 months to December 2013.

A population decline due to workers made redundant by the closure of the Warkworth Mine and MTO moving out of the region or a decline in the financial resources of previous employees would be likely to contribute to reduced property sales, sale prices and rental property demand.

iv Reduced local spending and decline in businesses

MTW spends a significant amount of money in the local area on local and regional suppliers, supporting a variety of businesses. In 2013, MTW spending on suppliers (based upon the postcode from which the good or service was invoiced) included:

- \$188million with 228 local suppliers from Upper Hunter, Muswellbrook, Singleton, Maitland and Cessnock LGAs;
- \$147million with 377 suppliers from the rest of NSW; and
- \$238million with 198 suppliers from the rest of Australia.

The above figures correlate with the results of an online survey of suppliers to MTW in March 2014.

Under the reference scenario, the majority of spend by MTW on suppliers within the local area, as well as significant amount of spend by employees within the local area would cease by 2021, if not beforehand. This results in a significant reduction of spend per year (hundreds of millions of dollars) in the local area which would significantly impact local businesses, particularly those that demonstrated a degree of reliance on MTW for their business.

5.3 Community services

5.3.1 Education

Participants of the employee survey were asked to indicate the number of children they had in educational facilities in the Hunter Region. Of the 337 employees who responded to the employee survey, 209 had families. These employees had a total of 184 children attending educational facilities in the Hunter Valley. Based on the survey data, there is an average of 0.55 children per employee or 715 in total. Based on the assumptions detailed earlier, the departure of 15 percent of the workforce would include a reduction in the number of children in the region by a similar proportion and, therefore, may lead to a reduction of 107 children attending an education facility in the region (Table 5.3).

Table 5.3 Educational attendance by MTW employees

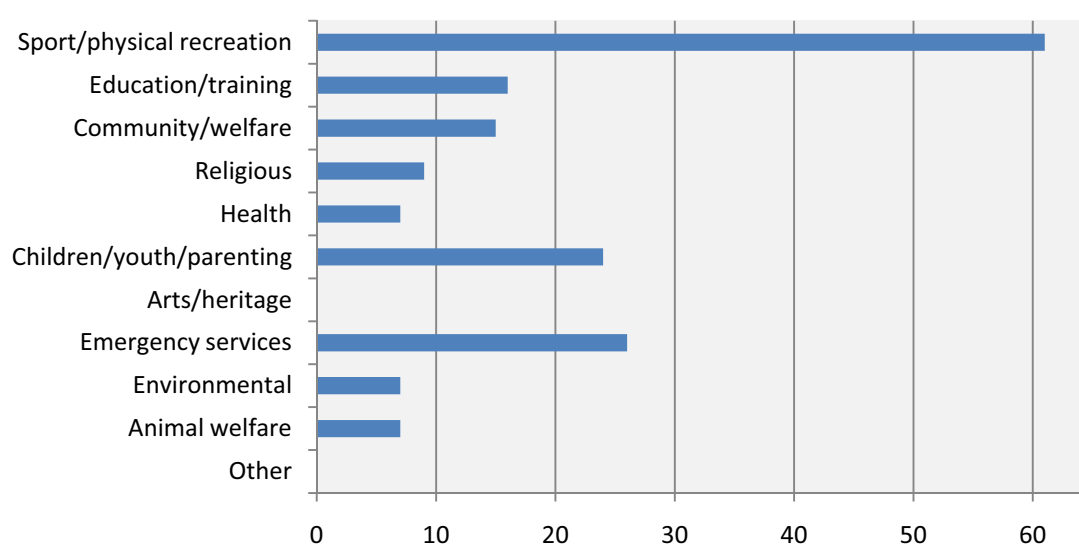
Facility	Estimated number of children of MTW employees	Number leaving the region (assumed 15%)
Childcare facility	186	28
Primary school	279	42
High school	186	28
Newcastle University	36	5
Technical college	29	4
Total	715	107

While the reduction in population will lower demand for school places and health services it is likely that this could place stress on future funding for these services particularly for smaller local community schools such as Milbrodale, Broke and Jerrys Plains Public Schools that had 11, 59 and 21 enrolments in 2013, respectively.

5.3.2 Employee contributions to community organisations

During the survey of suppliers and employees in March 2014, employees and suppliers were asked a series of questions relating to their direct contribution to, and participation in, community organisations and activities.

In the employee survey, 123 employees (33 per cent of responses) stated that they currently undertake some form of voluntary work, which is higher than the proportion of residents in Singleton LGA that volunteers (HVRF 2013b and ABS 2011). Of those that indicated current voluntary work activities, the majority carried out this work for sporting or physical recreation organisations (50 per cent of responses) followed by emergency services (21 per cent), children and youth (20 per cent), education and training (13 per cent) and community/ welfare (12 per cent) (see Figure 5.2).

**Figure 5.2 Organisation type for voluntary work**

The majority of employees (73 per cent) estimated that they dedicate between 1 and 10 hours per month to voluntary work in the Hunter Region. About 22 per cent dedicated 10 to 20 hours per month to voluntary work (see Figure 5.3). Of those that indicated current voluntary work activities, the majority carried out this work for sporting or physical recreation organisations (49.6 per cent of responses) followed by emergency services (21.1 per cent), children/ youth (19.5 per cent), education/ training (13.0 per cent) and community/ welfare (12.2 per cent).

MTW employees contribute to community life and participate in community organisations. This would be substantially reduced if previous employees leave the region to seek work. The flow on effect for organisations which require volunteers may be a loss of capacity to carry out community activities through the loss of MTW employees and their voluntary contributions.

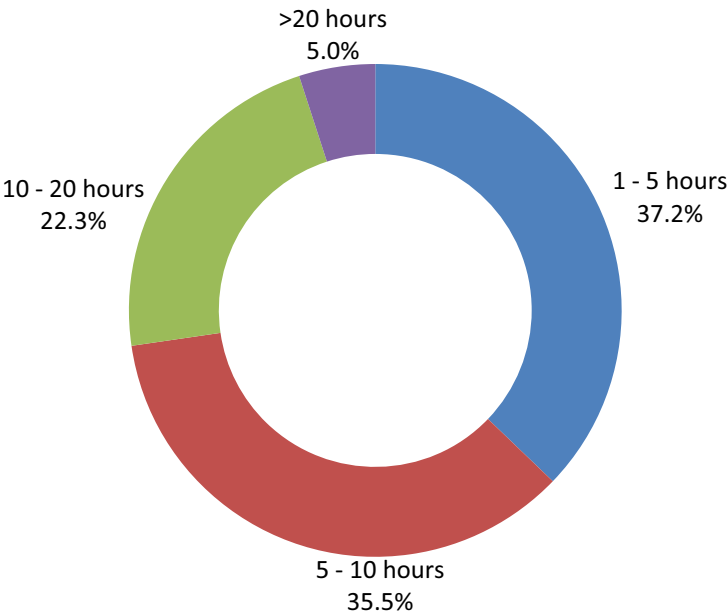


Figure 5.3 Hours per month dedicated to voluntary work

5.3.3 Supplier contributions to community organisations

About 75 per cent of suppliers surveyed indicated that they make direct financial contributions to community organisations (for example, charities, community services and health care) in the Hunter Region. The organisations supported included sporting (84 responses), welfare (65 responses), emergency services (55 responses), education (42 responses) and health (41 responses) organisations. The financial contribution on these community organisations for the past 12 months is shown in Figure 5.4.

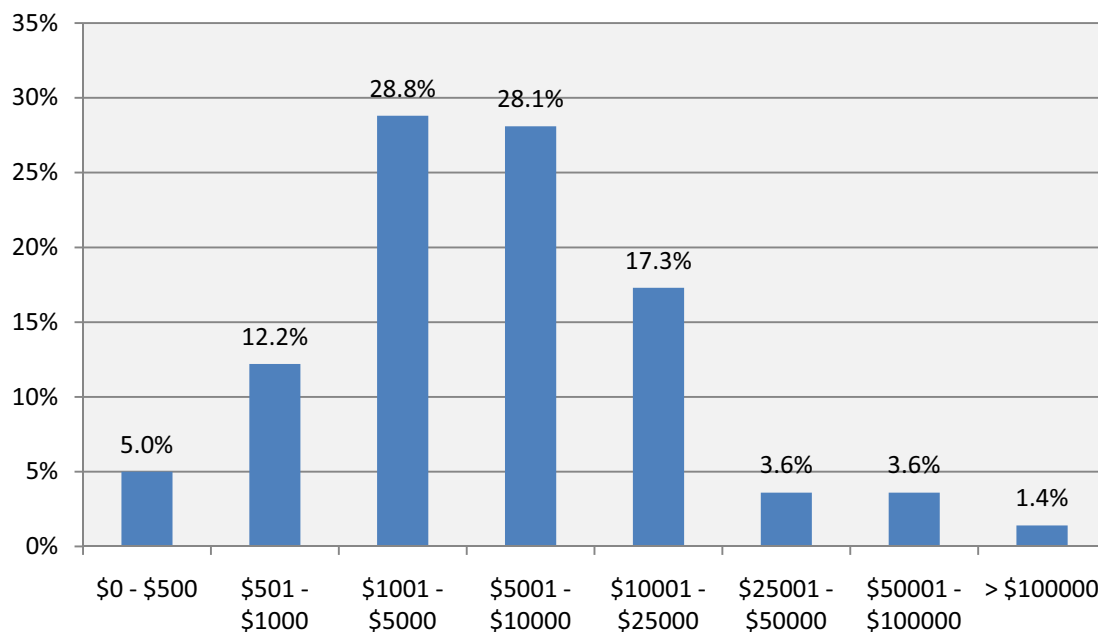


Figure 5.4 Total financial contributions of suppliers to community organisations in the past 12 months

Suppliers also made any non-financial contributions (for example, donating equipment, company resources and use of facilities) to community organisations in the Hunter Region. The number of non-financial contributions in each sector is shown in Figure 5.5. It is noted that totals add to 101 per cent due to rounding.

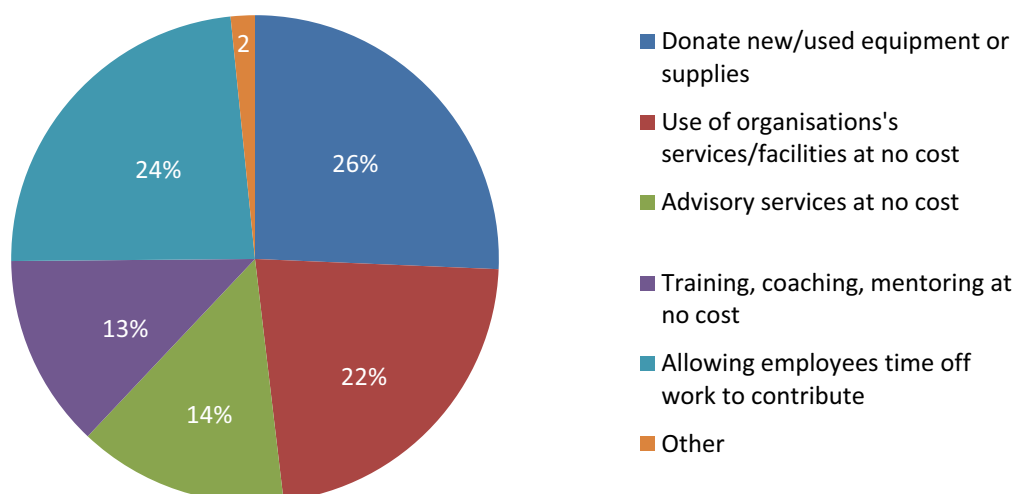


Figure 5.5 Type of non-financial contributions made by supplier to community organisations

Suppliers are also actively engaged in and contribute to community organisations, particularly through volunteer work.

The continued use of suppliers by MTW contributes to the financial success of these suppliers and allows them and their employees to contribute to and participate in community organisations in the region. In the absence of the proposal, the financial viability and the contributions of some of these suppliers would, at the least, be reduced.

5.4 Stakeholder perceptions and assessment outcomes

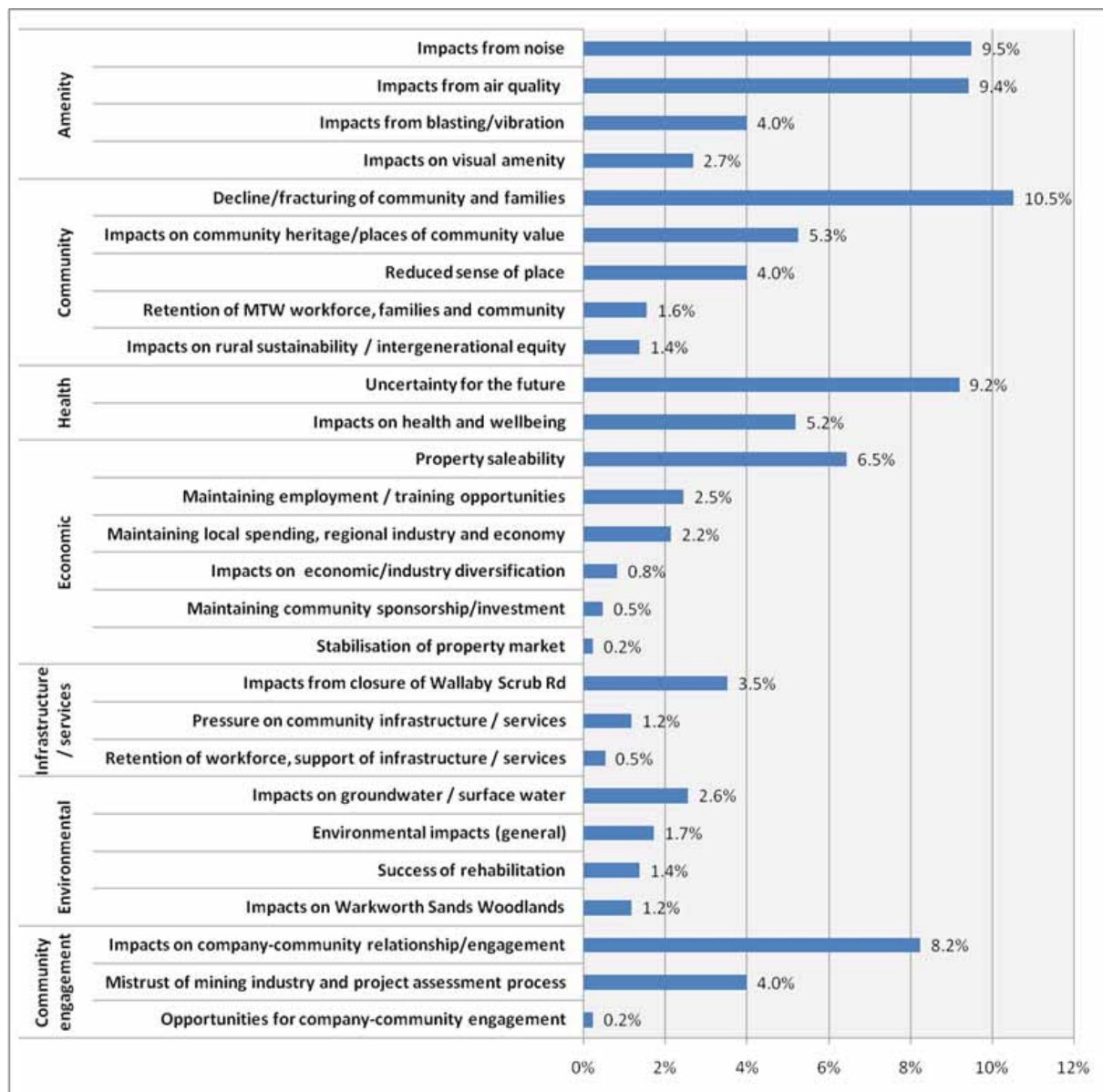
The technical assessments are central in understanding and addressing impacts but it is important to understand stakeholder perceptions of impacts and opportunities so they can be considered in designing appropriate social management, mitigation or enhancement strategies. This section provides an assessment of the perceived impacts and opportunities associated with the proposals. It also provides a technical assessment of each of these perceived impacts and opportunities sourced from relevant technical studies and literature.

The perceived impacts and opportunities are categorised into seven groups:

- amenity;
- environmental;
- community;
- health and well-being;
- economic;
- infrastructure and services; and
- community engagement, relationships and governance.

The frequency that participating stakeholders identified specific impacts and opportunities is shown in Figure 5.6 providing an indication of key areas of focus for assessment. Table 5.4 provides a summary of perceived impacts and opportunities and the technical assessment of the impacts and opportunities. They provide particular attention on near neighbours as near neighbours represented 44 per cent of those who participated in the survey.

It is noted that technical study outcomes apply to both proposals unless explicitly stated otherwise. Where results apply to one of the proposals only, the respective proposal title precedes the text.



Notes: Percentages are based on the total number of responses (1,673) from the 151 participants.
Data does not include results of the employee and supplier surveys.

Figure 5.6 Perceived impacts and opportunities of the proposal

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
Amenity		
Noise	Noise levels and impacts on amenity, health and well-being Noise was the most frequently identified perceived impact. Near neighbours (that is, residents living in proximity to the mine with potential noise exposure) perceive that the proposal is very likely to contribute to noise (including low frequency noise), impacting on the amenity, health and well-being of residents in Bulga, Long Point and Gouldsville. The majority of responses relating to noise levels were related to the Warkworth Continuation 2014, not the Mount Thorley Operations 2014 proposal.	Noise management The applicants have committed to implementing best practice sound suppression on all major plant. Further, the applicant's are in the final stages of developing a pre-emptive real time noise modelling interface (a first in the NSW mining industry) and is using best practice real time noise monitoring and management techniques. This constitutes all reasonable and feasible mitigation that has and would be adopted under the proposal. Assessment criteria The Mining SEPPs' non-discretionary standard for cumulative amenity noise levels at privately-owned residential dwellings is met for Bulga village, and noise impacts are predicted to be below the acceptable noise levels and amenity of the village as a rural area will be maintained. Further, the Mining SEPPs' non-discretionary standard for cumulative amenity noise levels is also met at other surrounding localities such as Gouldsville and Long Point. The L&E Court judgement (par. 64), notes that experience of noise levels from current mine operations is more than an expression of subjective fear or concern. However, while noise levels may be perceived differently by different stakeholders, the noise assessment used objective INP noise criteria that have been selected to protect at least 90 per cent of the population living in the vicinity of industrial noise sources from the adverse effects of noise for at least 90 per cent of the time. Project specific noise levels The determining factor for the project specific noise levels (PSNLs) for all residences is the intrusiveness criteria. Background levels have been set at appropriate levels to determine these. <i>Warkworth Continuation 2014</i> Significant exceedances (>5dB(A)) of the PSNLs are predicted to occur at four assessment locations, three at Warkworth village (77, 102 and 264) and one to the north of Bulga village (34). Assessment location 77 is currently afforded acquisition rights from an adjacent mining operation. Assessment location 264 is inferred to have acquisition rights from an adjacent mine but is not currently included in its approval. Assessment location 102 is Warkworth Hall, which is a non-residence. Significant exceedances (>5dB(A)) of the PSNLs are not predicted at any other surrounding localities including Long Point and Gouldsville. <i>Mount Thorley Operations 2014</i> A significant exceedance (>5dB(A)) of the PSNL is predicted to occur at one assessment location at Mount Thorley Industrial Estate (149) which is currently afforded acquisition rights from MTO under the development consent. It is noted that operational noise levels from the proposal are not expected to be materially different from current noise levels for locations east of the mine given relatively no changes to current activities in the eastern parts of the Site. Noise levels would be within 1 or 2dB(A) of the PSNLs for the majority of the residences at Bulga under the proposals. Changes of 1 to 2dB are imperceptible (see Appendix G of the EIS). Low frequency noise

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities	
Perceived	Technical assessment
	Noise levels are predicted to meet relevant Broner criteria for low frequency noise and INP criteria for sleep disturbance at representative assessment locations under the proposals. Cumulative noise <i>Warkworth Continuation 2014</i> Cumulative noise levels would satisfy the INP (and Mining SEPP) night time criterion at all but one representative assessment location in Warkworth village (77). As this is a representative location, the criterion is also likely to be exceeded at two neighbouring locations in Warkworth village (102 and 264). It should be noted that these assessment locations are currently afforded acquisition rights from an adjacent mining operation. The status of assessment location 264 is referenced above. <i>Mount Thorley Operations 2014</i> Cumulative noise levels would satisfy the INP (and Mining SEPP) night time criterion at all but two representative assessment locations in Warkworth village (77) and Mount Thorley Industrial Estate (146). As these are representative locations, the criterion is also likely to be exceeded at two neighbouring locations in Warkworth village (102 and 264) and two neighbouring locations in Mount Thorley Industrial Estate (144 and 915). It should be noted that these assessment locations are currently afforded acquisition rights from MTO or Wambo Mine with the exception of 264, which is inferred to have acquisition rights from Wambo Mine but is not currently included in its approval. Traffic noise <i>Warkworth Continuation 2014</i> The closure of Wallaby Scrub Road and resulting increased traffic on detoured roads would not result in an exceedance of relevant noise criteria. All reasonable and feasible measures have been applied to control noise from Warkworth Mine. Overall, one additional privately-owned residence that is not within either Warkworth Mine’s or a neighbouring mine’s existing acquisition zone (as per existing development consents), would be afforded acquisition rights under the proposal. Furthermore, given that the cumulative noise levels have been met at the majority of assessment locations, and it is unlikely there would be additional noise sources nearby in the future, the residences at Bulga generally have a rural level of amenity as defined in the NSW Industrial Noise Policy. Coal & Allied would implement operational, noise and blasting management strategies and monitoring as detailed in noise and vibration study. Specifically for Bulga, this includes measures such as a trigger action response process (TARP), whereby noise level triggers from the MTW real time noise monitoring network initiate a series of management measures to reduce offsite noise levels.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

	Impact/opportunities	
	Perceived	Technical assessment
Air quality	Air quality impacts Near neighbours expressed concern that the proposals are likely to contribute to air quality impacts from dust, diesel emissions and blast fumes. It is perceived that air quality would deteriorate due to increasing proximity of the mine to Bulga, the proposed disturbance of approximately 698ha of land, and air quality impacts experienced from current operations under the Warkworth Continuation 2014. Impacts of air quality on health and well-being Some stakeholders perceive that air quality impacts on amenity, health and well-being of affected residents are likely.	Air quality management Air quality goals are benchmarks set to protect the general health and amenity of the community in relation to air quality. Air quality impacts are currently managed at MTW through an existing integrated management system which involves the implementation of a monitoring network, best practice mitigation measures, and operational control strategies and measures with the objective of continuous improvement (see Appendix H of the EIS). Recent air quality monitoring results for 2012 and 2013 have shown that the both Warkworth Mine and MTO are complying with the relevant air quality criteria. Particulate matter The Mining SEPP's non-discretionary standard for cumulative air quality is met at all but two privately-owned residential dwellings (assessment locations 77 and 264) which are in Warkworth village. These assessment locations, and one non-residence (102 – Warkworth Hall), may experience concentrations above the relevant air quality goals for 24-hour average and annual average PM₁₀ (particulate matter with a diameter of 10µm or less). Assessment location 77 is currently afforded acquisition rights from a neighbouring mine. Assessment location 264 is inferred to have acquisition rights from neighbouring mines but is not currently included in its approval. These results apply to both proposals. The Mining SEPP's non-discretionary standard for cumulative air quality at privately-owned residential dwellings is met for Bulga village and air quality impacts are predicted to be below the acceptable air quality concentrations and amenity of the village will be maintained. <i>Warkworth Continuation 2014</i> Twenty four mine-owned assessment locations are predicted to experience concentrations above the relevant air quality goals for 24-hour average and annual average PM₁₀. A subset of these assessment locations may also experience concentrations above the relevant air quality goals for annual average total suspended particulate matter (TSP) and incremental and total annual average dust deposition. <i>Mount Thorley Operations 2014</i> Fifteen mine-owned assessment locations are predicted to experience concentrations above the relevant air quality goals for 24-hour average and annual average PM₁₀. A subset of these assessment locations may also experience concentrations above the relevant air quality goals for annual average total suspended particulate matter (TSP) and incremental and total annual average dust deposition. Cumulative PM_{2.5} (particulate matter with a diameter of 2.5µm or less) concentrations would be below the National Environment Protection Measure (NEPC 2003) advisory reporting standards at all of the assessment locations where the concentrations of other pollutants are below the relevant air quality goals under both proposals. Dust from mining is generally coarse in fraction (> PM_{2.5}) whereas the fine fraction dust (< PM_{2.5}) of concern to human health typically originates from combustion sources.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
		Diesel emissions and blast fume emissions No air quality impacts are predicted to result from diesel emissions (NO₂ and CO) and blast fume emissions.
Blasting and vibrations	Blasting and vibration impacts Near neighbours perceive that the Warkworth Continuation 2014 is likely to contribute to vibration impacts from blasting on the amenity and properties of residents in Bulga, Milbrodale, areas of Broke, Long Point and Gouldsville. Stakeholders perceive that vibration impacts from the Warkworth Continuation 2014 on the amenity and properties of affected residents are likely as mining operations and blasting activities come closer to Bulga.	Blasting and vibration impacts <i>Warkworth Continuation 2014</i> Blast noise overpressure and ground vibration limits would be met with the implementation of appropriate blast management (see more detail in the noise and vibration study). The blasting impact assessment focused on Bulga Bridge and St Phillip's Church in Warkworth Village as the most sensitive local structures. As the minimum separation distance between these structures and blast areas would be at least 2.5km, it is highly unlikely that these structures would be impacted. Subject to the implementation of the protocols outlined in the MTW Blast Management Plan no impacts are predicted to result from blast fume emissions. MTW is currently implementing a predictive management system to aid with management of blasting operations. Such a system uses actual conditions for each blast to predict the potential impact which may occur. The prediction is made on the basis of forecast weather data, allowing operators to schedule a blast to the time of least impact over the course of the upcoming day. In effect the system updates the blasting restrictions for each individual blast on the basis of predicted impact. The system thus deals with the spatially and time varying weather and terrain influences and is generally more reliable than relying on a fixed set of wind speed and wind direction restrictions. <i>Mount Thorley Operations 2014</i> The proposal is for continuation of mining operations which would remain within the current approved boundaries. Blasting impacts would therefore remain as previously assessed in past noise and vibration impact assessments for MTO.
Visual amenity	Visual amenity impacts Near neighbours expressed concern that the Warkworth Continuation 2014 is very likely to contribute to visual amenity impacts on residents of Bulga, Milbrodale, areas of Broke, Long Point and Gouldsville. It is perceived that visual amenity would deteriorate due to the increasing proximity of the mine to Bulga and given the surrounding landforms. Some stakeholders expressed concern that this would particularly be experienced at properties in Bulga on the western side of Inlet Road and nearby	Visual amenity impacts <i>Warkworth Mine 2014</i> As described in visual impact study that forms part of the EIS, open cut coal mines, including Warkworth Mine, and supporting infrastructure are a prominent landscape feature the landscape. The proposal would extend exposure to views from the west of the Site, and decrease the distance between sensitive viewers and mine and rehabilitated landform, in the long-term. The active mining face would advance away from sensitive viewers in the east under the proposal. Overburden emplacement at the Site would continue to be visible to some viewers in Bulga. Some residences west of the Site, such as elevated residences around Bulga village, may experience high visual impacts. However in the broader area, overall visual impacts of the proposal would generally be moderate to low, as the impact on visual amenity would be limited, localised and consistent with existing views. The existing topography and vegetation would continue to provide screening to the mine to varying extents depending on view location and elevation.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
	roads/streets, the western side of Putty Road and nearby roads/streets, and the elevated sections of the western side of Wambo Road. The above concerns principally related to the Warkworth Continuation 2014.	<i>Mount Thorley Operations 2014</i> Existing topography and vegetation would continue to provide screening to MTO as mining within Loders Pit continues and overburden is emplaced within the Site. Some residences west of the Site, such as elevated residences around Bulga village, may experience high visual amenity impacts. Progressive rehabilitation of disturbed areas and implementation of visual impact mitigation measures would be undertaken to minimise impacts on visual amenity. Visual impact mitigation measures Visual impact mitigation measures would be put in place to mitigate the potential impacts on the overall surrounding landscape for both proposals. This would include vegetation and bund screening to the boundaries of the Sites. In addition, site-specific visual assessments (SSVAs) would be available to individual landowners of potentially impacted properties. These SSVAs would prescribe specific mitigation measures, if either proposal is determined to have high or high/moderate visual impact at the property. Implementation of the mitigation measures prescribed in SSVAs at impacted properties will be important to substantially reduce these amenity impacts. Progressive rehabilitation of the Sites would further reduce the level of contrast in the viewing landscape and, ultimately, result in a higher level of visual integration.
Environmental		
Groundwater and surface water	Groundwater impacts Groundwater matters were raised in relation to the Warkworth Continuation 2014. Stakeholders raised concern about impacts on groundwater from the proposal, including: • well and bore water decline at privately-owned properties; • impacts on the general hydrogeological system of the Bulga, Milbrodale and Broke areas; and • subsidence caused by aquifer changes. These were acknowledged as a broader cumulative matter by some near neighbours. These impacts were considered to be	Groundwater <i>Warkworth Continuation 2014</i> Groundwater modelling predicts there would be no groundwater drawdown at any privately-owned bore greater than 2m. Government policy stipulates that for any bores where the maximum cumulative decline in groundwater levels is predicted to exceed 2m due to mining a make good agreement between the landholder and the applicant should be in place. A reduction of less than 2m is unlikely to noticeably reduce the pumping yield from any bore. Groundwater modelling indicates that risks to groundwater systems are negligible and manageable subject to the obtainment of the necessary water entitlements. The applicant is committed to ensuring the necessary licences are held with sufficient share component and water allocation to account for all water taken from a groundwater or surface water source as a result of an aquifer interference activity, both for the life of the activity and after the activity has ceased. Potential groundwater impacts from the proposal would not result in subsidence and, as such, would not impact on property. Coal & Allied would implement groundwater management strategies and monitoring as detailed in the groundwater study that forms part of the EIS. Surface water <i>Warkworth Continuation 2014</i>

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities	
Perceived	Technical assessment
contributing factors in reducing water supply to properties, damaging properties and impacting way of life through reducing environmental quality in the area. Surface water impacts Stakeholders perceived that there would be impacts on surface water from the proposal, particularly the potential continued deterioration of the Wollombi Brook which is considered to be an important environmental, social and community attribute, with several stakeholders citing its long-standing importance to Bulga for agricultural production and recreational activities. Surface water matters raised generally related to the Warkworth Continuation 2014; however, the Mount Thorley Operations 2014 was also referenced.	Impacts of the proposal are unlikely to be significantly different to those from the existing approved operations. Groundwater modelling predicts a reduction in saline Permian groundwater discharge to the Wollombi Brook as mining progresses, reduce the salinity of the alluvium (and subsequently in the brook) during the life of the proposal. Surface water modelling predicts that no uncontrolled release of saline water would occur over the life of the proposal. Excess saline water would continue to be released in accordance with the existing rules of the Hunter River salinity trading scheme. The MTW water management system would continue to operate and prevent sedimentation. As all offsite water supply requirements (if required) and water take under the proposal would be obtained from licensed sources, there would be no adverse impact on other licensed users (subject to climatic conditions and the operation of the water supply scheme). Therefore, agricultural production and recreational activities would not be impacted. Coal & Allied would implement surface water management strategies and monitoring as detailed in the surface water study that forms part of the EIS. <i>Mount Thorley Operations 2014</i> The results of the surface water study indicate that the impacts of the proposal on surface water resources are unlikely to be significantly different to the existing approved operations and would not have a significant impact on surface water quality of the adjacent water features. Surface water would continue to be managed under the MTW water management plan and the existing MTW surface water monitoring programme. No additional mitigation measures, to those already implemented, are required for the proposal.
Warkworth Sands Woodland Loss of Warkworth Sands Woodland (WSW) Near neighbours expressed concern about a loss of the 'unique ecology' of WSW under the Warkworth Continuation 2014. It was perceived that this would impact fauna (particularly birdlife) and groundwater systems, removing opportunities for educational and recreational activities such as school visits, bird watching and nature walks. Biodiversity offsets Stakeholders were generally sceptical about the effectiveness of biodiversity offsets in areas far-removed from WSW and questioned the achievements of other offsetting projects undertaken in the Hunter Valley. Again, this	Impacts on vegetation including WSW <i>Warkworth Continuation 2014</i> WSW would be disturbed under the proposal. This would be managed through provision of biodiversity offsets and supplementary measures, such as the re-establishment of Warkworth Sands Grassland to Warkworth Sands Woodland and provision of funds for the development of an Integrated Management Plan for WSW. A thin perched groundwater system of limited extent, recharged by rainfall, is present in the aeolian Warkworth sands that support the WSW ecological community. This system is not in direct hydraulic connection with the underlying Permian fractured rock (AGE, 2014). Therefore, the proposal is not expected to impact on the groundwater system or the associated vegetation community. Open cut mining projects cannot readily avoid impacts where mineral resources are beneath flora and fauna habitats. Listed species and communities, including WSW, were avoided to the greatest possible extent during mine and infrastructure design. The proposal's remaining impacts on WSW and other vegetation were assessed in accordance with contemporary government policy. Coal & Allied would implement the measures to avoid, minimise, mitigate and compensate for the loss of WSW and other native vegetation as described in ecology study that forms part of the EIS.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities	
Perceived	Technical assessment
matter related exclusively to the Warkworth Continuation 2014.	Biodiversity offsets <i>Warkworth Continuation 2014</i> Offsets for WSW are proposed within the Southern and Northern Biodiversity Offset Areas including existing vegetation and re-establishment. The re-establishment of WSW in areas mapped as WSG which would establish large, fully functioning examples of the EEC through enhancement of areas. In the long-term, this would result in a larger area of WSW than currently exists and would be managed and protected, which is not the case currently. The offsets would also provide habitat into the future for threatened fauna species associated with this vegetation community. In addition, supplementary measures are proposed, including: • development of rehabilitation completion criteria based on the UNE research over the last five years; and • provision of funds for the development of an Integrated Management Plan. The assessment of groundwater dependent ecosystems concluded that no direct impacts to this groundwater system resulting from the proposal would occur. In combination, these measures would result in a larger area of WSW than currently exists that would be managed and protected, which is not the case currently.
Rehabilitation and future land use planning	Ineffective rehabilitation Near neighbours and interested stakeholders perceived that past and present rehabilitation practices at MTW and at other mining sites throughout the Hunter Valley have been unsuccessful and that little change in these practices is included as part of the proposal. Several stakeholders suggested that evidence is yet to emerge of open-cut coal mine rehabilitation leading to positive environmental and land use outcomes. Rehabilitation achieved and proposed Rehabilitation at MTW is undertaken in a series of stages as mining progresses. Much of the rehabilitation to date has been in the north of the site predominately away from the public views and is consistent with the progression of mining. The 2013 Annual Environmental Review for MTW illustrates that the rehabilitation completed in 2013 exceeded the commitment outlined in the Mining Operations Plan (MOP). The cumulative rehabilitation undertaken during the MOP period of 126.2ha has also exceeded that committed to in the MOP (121.9ha) at this point in the mine life. The proposals include commitments to leading practice rehabilitation and future innovations in rehabilitation to achieve improved outcomes. Given this is the case, it is unlikely that ineffective rehabilitation would lead to social impacts.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
Community		
Community and family cohesion	Loss of population, community members and leaders The residents of Bulga, Long Point and Gouldsville perceive there may be loss of population, community members and leaders as a result of acquisition and relocation, leading to the gradual decline of community (both facilities/services and existing community connections and village life) and loss of connections between and within communities and families from the proposals.	Population The Warkworth Continuation 2014 is required to enable continuation of operations at Warkworth Mine in 2015 and beyond, and so contribute to maintaining the current and the regional population in the medium-term. The Mount Thorley Operations 2014 is required to maintain the viability of both mines and operation of MTO beyond 2017. The decline of smaller rural communities is a broad concern across Australia including in parts of the middle and upper Hunter region that are experiencing decline. A wide range of factors are contributing to this such as improved communications which is encouraging migration to cities and centralisation of services, restructuring of rural industries and reduced employment opportunities, and population aging and non-replacement leading to towns falling below the critical threshold needed to maintain essential services (Productivity Commission 2009 and ABS 2006, 2011). In contrast, Bulga has a number of significant attributes including retail and community facilities (service station, general store, tavern, community hall, sports ground and fire brigade) and it is well located to service the tourist trade being proximal to attractions like wineries and is on the Putty Road tourist route. Consequently, Bulga has experienced both a growth in population and housing prices, has a relatively robust age structure and relatively low rates of population turnover. Impacts predicted from the proposals will not necessitate property acquisitions in Bulga. It is also important to note that in contrast to perceptions any property acquisition rights included in an approval are upon the request of the landowner and are not compulsory. If a landowner does not wish to take up their acquisition rights they do not have to. Any landowner with acquisition rights under an approval can also choose when they might like to have their property acquired, if at all, during the life of the development. For example, if the landowner is happy at the start of the project to stay but 10 years later choose to take up their acquisition rights, the rights will still exist and can be validly processed under the approval. The Bulga population has increased 11.5 per cent or 37 persons between the 2006 and 2011 census. However, it is acknowledged that local stakeholders reflect on gradual population decline in nearby villages such as Warkworth, Camberwell and Ravensworth. Even with the replacement of population that may occur with leasing any acquired properties, or with the new owners living or leasing properties sold by owners voluntarily relocating, concern remains regarding the loss of existing community connections, activity and village life. ABS data shows that Bulga SSC's population increased by 11.5 per cent from 321 to 358 persons between 2006 and 2011, which is double the NSW rate of 5.6 per cent for the same period. In this period, Singleton's population declined by 4.7 per cent. While the proposals would contribute to maintaining the current and the regional population, individual community members would continue to make decisions based on individual circumstances about whether to stay in the area. ABS data has shown that Bulga has a lower population turnover rate than the NSW average: in 2011, 71 per cent of people in the Bulga SSC were recorded at the same address they were five years earlier (compared to 57 per cent for both Singleton and NSW). This suggests that community connections would be relatively strong. It also suggests that the majority of residents consider Bulga to be an attractive place to live and, assuming an acceptable level of amenity can be maintained by the proposal, will continue to be so.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
Places of community value and sense of place	Loss of sense of place A number of near neighbours are worried by the loss of the places of community value and uncertainty regarding the future of the Bulga community, predominately in relation to the Warkworth Continuation 2014. Loss of sense of place has been associated with ‘solastalgia’, which is defined as the distress that is produced by environmental change impacting on people while they are directly connected to their home environment. Some stakeholders had a sense of distress, loss, depression and abandonment when discussing their connections to home, community, family and the rural environment, and that these connections may be lost as a result of the Warkworth Continuation 2014. Loss of historic and Aboriginal cultural heritage Stakeholders also expressed concern that the Warkworth Continuation 2014 would impact on places of community value due to impacts on the Former RAAF Base Bulga Complex, sections of the Great North Road, places of Aboriginal cultural heritage significance and Saddleback Ridge. They also associated indirect impacts of the proposal on places of heritage and community value in Bulga through potential impacts of population decline on the management and maintenance of those places.	Loss of sense of place A ‘loss of sense of place’ is a concern of some Bulga residents. Bulga experiences low population turnover and residents have relatively positive health, employment, crime rate and property ownership characteristics that are illustrative of a stable and cohesive community. The reference case (if the proposals were not to proceed) would have a subsequent ‘loss of sense of place’ for a different set of stakeholders if viable mining could not be maintained. These would include employees, particularly those that reside in the Singleton LGA (35 per cent of the workforce) and others where the present level of social services could not be maintained (for example reduction in student numbers resulting in school closure). Loss of historic heritage <i>Warkworth Continuation 2014</i> Small portions of the former RAAF Base Bulga Complex and Great North Road would be impacted by the proposal, and heritage impacts are considered minor. The former RAAF Base Bulga Complex and the Great North Road have been subject to comprehensive assessment, and Conservation Management Plans have been prepared for both. The former RAAF Base Bulga Complex has also been subject to archival recording in accordance with NSW Heritage Office guidelines. No direct or indirect impacts are predicted on heritage items located in and surrounding Bulga village. The study found that with the implementation of the mitigation measures (see Appendix O of the EIS), potential heritage impacts within the study area are likely to be low. Coal & Allied will implement the following additional management measures: • establish the MTW Historic Heritage Conservation Fund – the purpose of the fund is to provide resources for local historical research and heritage conservation projects proposed by the local community; and • establish the Great North Road Conservation Fund – the purpose of the fund is to provide resources for heritage conservation works on significant surviving elements of the convict built Great North Road located within Singleton LGA (and potentially other areas including the Great North Road World Heritage Area). Loss of Aboriginal cultural heritage <i>Warkworth Continuation 2014</i> Places of material Aboriginal cultural heritage have been identified within the proposed 2014 disturbance area. There are 110 places of material cultural heritage within the proposed 2014 disturbance area that would be disturbed or destroyed as a result of the proposal. However, there are no Aboriginal cultural heritage places with scientific values that constitute a constraint on the proposal. Aboriginal cultural heritage at MTW would continue to be managed under the auspices of the Cultural Heritage Working Group and the Aboriginal cultural heritage management plan. In particular, the Wollombi Brook Aboriginal Cultural Heritage Conservation Area would be established for the long-term conservation and management of Aboriginal cultural heritage places and values (see Aboriginal cultural heritage study that forms part of the EIS).

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
MTW workforce and their families	Retention of MTW workforce and their families A range of stakeholders identified positive opportunities for the community from the proposals. These opportunities were largely identified for the broader Singleton LGA as a result of the retention of the MTW workforce and their families as a result of the proposal. It was described that the workforce and their families contribute to the community, not only economically (through local spending and support for local business), but also through community participation (attendance at local schools, participation in sporting and other community events and community volunteering).	Indirect contributions of the proposal on the community The local community is experiencing impacts from the recent downturn in the coal industry including a decline in population and the loss of mine workers and their families. Approximately 35 per cent of the MTW workforce lives in Singleton LGA, 56 per cent of the workforce have children who attend educational facilities in their local LGA and approximately 33 per cent participate in volunteering in their local LGA. The MTW workforce and their families contribute to the local and regional economy and community through high levels of local spend and through the continuing use of community facilities and participation in the community, such as through volunteering. The employee and supplier survey results indicate that there would be benefits to small to medium sized enterprises (SMEs) from the retention of the workforce. The proposals would ameliorate some of uncertainty in the community resulting from the recent downturn in the coal industry.
Intergenerational and intra-generational equity	Rural sustainability and intergenerational equity Some stakeholders perceived that there would be impacts on rural sustainability and intergenerational equity as a result of loss of family and community heritage and the loss of rural villages, environment, community and other associated livelihoods (for example, local business and agriculture). These impacts were perceived as potentially permanent and significant due to the perceived inability to replace the heritage, community and land values of the area post-mining.	Final landform and land uses Following the completion of mining and rehabilitation, a final landform will remain that is safe, stable, free draining, and non-polluting. This will be integrated with the surrounding landscape. The final landform will support final land uses including for the conservation of native vegetation and for agriculture for existing and future generations. The impacts the proposals on heritage and land-values are described above and below, respectively. Direct and indirect employment The proposals would contribute to social equity by providing direct and indirect employment. They would result in the transformation of a geological resource into physical and human capital through investment in infrastructure and workforce training, and, indirectly, through contributions to governments which would enable greater investments in public infrastructure and services.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities	
Perceived	Technical assessment
Health and well-being	
Health and well-being – community uncertainty Health impacts Stakeholders, particularly near neighbours, raised concerns regarding health impacts predominately related to the Warkworth Continuation 2014. Perceived health impacts related to stress as a result of uncertainty for the future; and concerns about the health impacts of poor air/water quality. Stress and uncertainty Some stakeholders were concerned about health impacts from stress and uncertainty – for themselves, their family and the community. This uncertainty was most often related to: the acquisition process; the future of Bulga and its community; potential decline of community and fracturing of families; a mistrust of the proposal assessment process; uncertainty regarding ability to sell properties, property values, and related impacts on investments/assets and their future.	Stress-related health impacts Health and well-being impacts need to be considered at a community level. In a study of the health of Hunter Valley communities in proximity to coal mining and power generation, Merrit et al. (2013) found that: There were no significant differences in management rates of mental health conditions in the Hunter Valley region compared with the rest of rural NSW. Management rates of depression and anxiety were not higher, nor were prescription rates of antidepressants. This indicates that similar levels of anxiety are experienced in Hunter Valley region compared to rural NSW as a whole although the causes of anxiety may vary between regions. Health impacts of dust The air quality and greenhouse gas study that forms part of the EIS was completed in accordance with the applicable NSW and Commonwealth guidelines, standards and impact assessment criteria which take into account the known health effects of particulates on sufferers of asthma, lung conditions and heart disease. Air quality assessment criteria are designed to protect urban communities. Compared to the urban environment, there are less fine particulates in dust from mining and these particulates do not contain combustion products. Therefore, the assessment criteria provide a high level of conservatism when used to determine the acceptable levels of dust from mining projects in rural settings. The assessment results based on these criteria are described in above in 'Impacts on air quality'. Health impacts of blast fumes The impacts of blast fumes have been assessed based on guidelines, standards and impact assessment criteria. With the implementation of blast restrictions when required, blasts would not result in assessment criteria being exceeded. The assessment results based on these criteria are described in above in 'Impacts from blasting/vibration'. Impacts on rainwater tanks Lucas et al. (2009) investigated the potential for health impacts from coal dust deposited on rooftops and washed into water tanks. With the exception of two mine-owned residences, the incremental dust deposition predicted for the proposal at private and mine-owned residences is less than the 2g/m²/month incremental criterion in all modelling years. Taking the predicted dust deposition levels, the spatial separation of residences from the mine and the findings of Lucas et al. (2009) into account, the potential for adverse impacts to rainwater tanks from the deposition of coal dust is low, even at the closest residences. Impacts of mining on health Merrit et al. (2013) conducted an analysis of general practice data for rural communities in close proximity to coal mining and coal-fired power generation in the Hunter Valley to identify unusual patterns of illness. The study in the NSW Public Health Bulletin concluded that: There was no evidence of a significant difference in problems managed or medications prescribed by [general

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
		practitioners] GPs for residents of communities potentially affected by heavy industrial activity (coal mining and power generation) in the Hunter Valley region of NSW compared with residents in the remainder of rural NSW during the period 1998–2010. The diverging trend for respiratory problem management over time is worthy of further exploration. The ‘diverging trend’ refers to a comparison of the management rates of respiratory problems (as a group) during the period 2005–2010 with those for 1998–2004. This indicated that there was no significant change in the Hunter Valley region despite a significant decrease for the remainder of rural NSW over this period. However, the statistical significance of this difference could not be determined due to the sample size. Other Particular areas of concern to stakeholders regarding community uncertainty are addressed elsewhere in this table in the following sections: • uncertainty surrounding the acquisition process; • the future of Bulga and its community; • potential decline of community and fracturing of families; • a mistrust of the proposal assessment process; and • uncertainty regarding the ability to sell properties, property values, and related impacts on investments/assets and their future.
Vulnerable groups	Impacts to vulnerable groups Some stakeholders expressed concern that some vulnerable groups would be exposed to impacts from the proposals on: their health from the amenity impacts; their economic and asset base due to a perceived inability to sell properties/assets; and indirectly through the potential loss of community services and facilities in light of a perceived decline in community.	Vulnerable groups Particular areas of concern to stakeholders regarding vulnerable groups are addressed elsewhere in this table: • potential amenity impacts of the proposal (from noise, dust and vibration); • health matters related to mining; • potential impacts on property values and ability to sell; and • the potential for fracturing of the community. Mitigation measures Notwithstanding this, it is recognised that vulnerable groups, including older members of the community, may not adapt to change and can be more susceptible to impacts, perceived or otherwise. In recognition of this concern, Coal & Allied propose to contribute to a Bulga and Near Neighbour Amenity Resource which would provide services such as property maintenance to residents surrounding the operation. Vulnerable near neighbour residents would have access to this resource.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
Economic		
Properties value, saleability and investor confidence	Negative impacts on property values and saleability Near neighbours raised concern that the proposal would have a negative impact on property values and ability to sell in line with current and historical trends. Positive impacts on property values and saleability Stakeholders living in Singleton perceived favourable property market opportunities as maintenance of the current workforce would help to stabilise the property market after recent decreases in sales results and rental returns. Some stakeholders (including Singleton residents, businesses and real estate agents) suggested that the recent contraction of the coal industry had contributed to the weakening of the property market through decreased demand. Local business stakeholders (Singleton-based real estate agents) suggested that the market was ‘over-heated’ during the coal mining boom, and that current soft property market figures may reflect a recalibration of the market towards a more realistic and stable trend.	Recent property market trends Recent property market data for the Singleton LGA show a decline in sales results and a dramatic fall in rental returns for Singleton LGA. Median sales prices fell consistently in 2013 (almost 9 per cent annual decline for all properties) and rental returns fell by approximately 25 per cent on average in the 12 months to December 2013. The issue of devaluation of properties was considered by Stubbs (2012) who examined the purchase price of properties within Bulga during the lodgement and determination of the application for the Warkworth Extension Project in 2010 and 2011 and early 2012. Stubbs (2012) examined the sale price of all properties sold in Bulga between 1 April 2008 and 23 May 2012. She noted that the purchase price of properties did not appear to have been affected by the lodgement and assessment of the application, with median property values in Bulga and surrounds increasingly considerably since that time (\$282,500 median sale price in the two years prior to lodgement, and \$450,000 median sale price since the lodgement) (Stubbs 2012). Property market stabilisation The proposals would aim to maintain current workforce levels across MTW operations, which should contribute to population levels in the Singleton LGA (with over 35 per cent of MTW employees residing in Singleton LGA) and, subsequently, partly assist in stabilising the property market. Coal & Allied would continue to manage residential properties via the open market. Coal & Allied utilises the services of local real estate agents to manage its properties to a high standard of maintenance and management.
Property maintenance and impact management costs	Property maintenance and impact management costs Near neighbours perceived that the impacts of current operations, particularly dust and vibration impacts, have a direct and ongoing economic cost and that the proposals would intensify those impacts.	Assessment of impacts <i>Warkworth Continuation 2014</i> Air quality and noise and vibration studies indicate that dust and vibration levels would be within the relevant guidelines. <i>Mount Thorley Operations 2014</i> Air quality studies indicate that dust would be within the relevant guidelines. No additional blasting (to that currently approved) as proposed as part of the proposal.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
	Near neighbour communities are not generally connected to mains water supply, so properties are reliant on tank water.	Water tanks Regardless of proximity to mining water tanks generally require routine maintenance to ensure that water quality is maintained. The impacts of the proposal on rainwater tanks are summarised in ‘Health and wellbeing impacts’. While there would be no significant impacts to private residences directly attributable to either proposal, Coal & Allied propose contribution to a Bulga and Near Neighbour Amenity Resource to provide services to residents surrounding the operation.
Employment and training	Employment and training opportunities Stakeholders identified employment, expenditure on suppliers’ services and associated opportunities for skills development and scholarships as primary benefit of the proposals. Contribution to economic growth Experience with the growth of the coal industry since the late 1990s gave some stakeholders confidence that the proposal would significantly contribute to employment and economic growth in the Singleton LGA. Local business stakeholders were confident that the proposal would deliver employment and skills development opportunities across the Singleton LGA. Many stated that small downturns in coal industry activity were immediately felt by local suppliers and that the proposal would stabilise supplier workforce numbers and supporting revenues.	Ongoing workforce and suppliers MTW currently employs a workforce of approximately 1,300 persons on average. Although Warkworth Mine and MTO are integrated operations and workforce numbers are difficult to assign to the respective development consents, an estimate of 63 per cent (819 persons on average) could be attributed to activities on the Warkworth Mine development application and 37 per cent (481 persons on average) to the MTO development application. The proposal aims to maintain current workforce levels across MTW operations, bringing with them employment and training opportunities and are expected to contribute employment and supplier revenue benefits into the medium-term, with economic opportunities for the region extending over the proposal life-cycle.
Representation of local residents, near neighbours, women, and Aboriginal and Torres Strait Islanders in the MTW workforce	Representation of local residents, near neighbours, women, and Aboriginal and Torres Strait Islanders in the MTW workforce A number of near neighbour residents from Bulga, Milbrodale, Long Point/Gouldsville contended that few near neighbours were employed at MTW and that no new targets for lifting employment rates for near neighbour communities or local employment are included	Locals in the workforce Almost three quarters of MTW employees and long-term contractors live in the Mid and Upper Hunter region: Singleton LGA (35 per cent), Cessnock (19 per cent) and Maitland LGA (17 per cent). In January 2014, MTW employed 24 people from direct near neighbour communities (for example, Bulga, Milbrodale, Warkworth and Maison Dieu) which equates to approximately 7 per cent of the labour force from those communities. Coal & Allied maintains a continued preference for employees and contractors to reside locally. Women and Aboriginal people in the MTW workforce About 12 per cent of the current workforce (both employees and contractors) are women. Rio Tinto Coal Australia’s goal is to

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
	in the proposals. .	achieve 15 per cent female employment across its operations (RTCA 2014) which is the average proportion of female employees in the mining Australian industry (WGEA 2013). The Indigenous workforce (both employees and contractors) represent about 2 per cent of the total MTW workforce. Rio Tinto Coal Australia's goal is to achieve five per cent Indigenous employment across its operations (RTCA 2014). The proportion of Indigenous people in the Australian mining industry is four per cent. The MTW Diversity Action Plan has a focus on increasing Indigenous and female employment. Coal & Allied would continue to implement the MTW Apprenticeship and Graduate programme, drawing on local candidates, and consisting of: • five new apprenticeship positions each year; • Aboriginal scholarship programme in partnership with University of Newcastle, supporting two Aboriginal students per annum with a scholarship programme and vacation employment to complete their degrees; • two graduate positions per annum on a two year programme; and • two vacation student positions each year.
Local and regional businesses and industry	Opportunities for local businesses Local businesses generally speculated that the economic contribution of the proposals would be the most significant opportunity, with continuity of work and the implications that continuity has for workforce planning and maintenance being cited as the most critical benefits for suppliers.	Hunter Valley labour market outlook The HVRF's measure of employment intentions suggest that further weakness in the Hunter Valley labour market can be anticipated. Employment intentions have declined since December 2011 with HVRF's most recent measures lower than those during the Global Financial Crisis of 2008. Similar trends are also evident in the HVRF's (2013b) Household Survey, which suggests that consumer confidence and purchasing intentions in the Hunter Valley remain negative. Overall, HVRF (2013b) conclude that the economic outlook for the Hunter Valley reflects the end of the previous expansion phase combined with a drive to achieve efficiencies, the effects of which are now being felt by local suppliers, contractors and operational employees. Continued MTW operations would assist in maintaining a proportion of supplier revenues. Coal & Allied would continue: • to engage with Singleton Council on key areas of common interest including attraction and retention of residents and long term planning; • the preference for employees and contractors to reside locally; and • the development of the Coal & Allied Local Procurement Strategy incorporating the MTW operation.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

	Impact/opportunities	
	Perceived	Technical assessment
Corporate community investment and sponsorship	Continued contribution to, and investment in, local communities Stakeholders reflected on the potential for continued contribution to, and investment in, local communities through the proposals, including: Aboriginal and Torres Strait Islander employment, education and training opportunities; direct contributions to community service providers; and, contributions made to training and life-skills programmes at Singleton High School.	Continued contribution to, and investment in, local communities Existing direct community contributions and investment from MTW operations would continue under the proposals. Employees and suppliers make financial and non-financial contributions to the regional community and participated significantly in community activities, which in turn, contribute to community way of life. The proposals would continue to provide employment and economic benefits to suppliers, allowing employees and suppliers to continue to contribute to the community. A proportion of the MTW Site Donation Committee annual funding would be dedicated for projects which contribute to near neighbour communities, including the Bulga community, and which are in accordance with the funding guidelines of the Committee.
Other industries and diversification	Retention of skilled employees Local business stakeholders perceived that it was difficult to retain skilled employees given their migration to mining jobs for higher salaries. Two-speed economy Several stakeholders commented on the mining industry's contribution to the creation of a 'two-speed economy', where those employed by or who contract to the industry enjoy substantial financial benefits whilst others deal with the inflationary effects on cost of living generated by spending of these benefits. Diversification Local government stakeholders perceived that there is insufficient planning regarding structural diversification of the Singleton LGA economy.	Requirement for skilled employees The proposals would continue current requirements for skilled workers and would continue to be a focus of planning in the Singleton LGA, generating potential for continued skills migration from other industries in the region and potential for maintenance of the status quo when it comes to structural diversification planning. Structural diversification required The imperative for structural diversification has become even more apparent since the end of the mining boom, with the HVRF (2014) noting that the medium-term outlook for increased non-mining productivity in the region would depend on business capacity to invest in innovation and skills to adapt to, and develop, new products, services and markets as the resources boom fades.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities	
Perceived	Technical assessment
Infrastructure and services	
Infrastructure, services and local community facilities Pressure on local infrastructure and services Local government stakeholders perceived that maintenance of MTW workforce numbers would continue to place pressure on local infrastructure, particularly through the frequency of heavy vehicle movements on local roads. However, local government representatives also noted the positive benefits of retention of MTW workforce on community infrastructure and services. Near neighbours perceived that the medium to long-term viability of community facilities and services in Bulga, including the Bulga Hall, tavern and store, would be impacted by proposal-related acquisitions and associated relocation of Bulga residents. Near neighbour stakeholders perceived a failure to adequately plan for lease holdings at the tavern and store following acquisition. It was perceived that changes to these facilities would impact the way of life in the village and access to services, particularly for the elderly, ill and disabled. Local government stakeholder's identified the potential opportunity to stabilise population levels across the Singleton LGA. Subsequently, the contribution of MTW employees to council land rates would be maintained, helping to support the viability of current council services.	Demand for local infrastructure and services There would be no increase in the use of local infrastructure and demand for health and allied services, emergency services and emergency departments under the proposals, as the intention is to retain the current level of employment. Traffic would remain similar to current levels and safety levels would be unaffected. The proposals would aim to maintain current average workforce levels across MTW operations, helping to stabilise population levels across the Singleton LGA. Subsequently, the contribution of MTW employees to council land rates would be maintained, helping to support the viability of current council services. The continued MTW workforce and their families would also help maintain the use of local businesses and services, particularly shops, services, schools and childcare facilities. A Voluntary Planning Agreement (VPA) would be negotiated with Singleton Council for the proposals. The VPA presents an opportunity to ensure a proportion of the funds are dedicated to maintaining and/or improving facilities and services in Bulga, other local neighbouring communities, and the Singleton LGA as a whole. As described in the noise section of this table, no residences in Bulga village would be afforded acquisition rights under the proposal due the predicted noise levels being in exceedence of relevant regulatory criteria. It is noted that one resident, assessment location 34, which is north of the village would be afforded acquisition rights. Therefore, proposal related acquisitions would not impact the medium to long-term viability of community facilities and services in Bulga, including the Bulga Hall, tavern and store. The maintenance of the current workforce under the proposal, however, may contribute to the viability of the community facilities and services.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

	Impact/opportunities	
	Perceived	Technical assessment
Closure of Wallaby Scrub Road – traffic, safety, emergency services	Wallaby Scrub Road closure impacts Perceived impacts of Wallaby Scrub Road closure related exclusively to the Warkworth Continuation 2014. Many stakeholders, including emergency services and local council representatives, perceived that the closure of Wallaby Scrub Road is a key impact of the proposal. It is perceived that it would impact vehicle accident rates, emergency services, shift workers and local residents access to towns. Many local stakeholders perceived that there are a high number of accidents at the intersection of Putty Road and the Golden Highway. It was perceived that the proposal would increase the frequency of vehicle movements through this intersection given the closure of Wallaby Scrub Road. It was also perceived that traffic would increase on the Golden Highway between Putty Road and the existing intersection with Wallaby Scrub Road and that, in turn, this would increase vehicle movements through the intersection of Long Point Road and the Golden Highway. Near neighbours perceived increases in accidents at this location given that there are no turning bays at this intersection. Voluntary emergency service stakeholders (Bulga, Warkworth and Jerrys Plains RFS stations) estimated that travel to areas along the Golden Highway west of the Wallaby Scrub Road intersection and east to Long Point Road would require additional travel time for trips to Bulga, Milbrodale and Broke from RFS stations at Warkworth and Jerrys Plains.	Wallaby Scrub Road closure impacts <i>Warkworth Continuation 2014</i> The traffic and transport study that forms part of the EIS found that the primary traffic impacts as a result of the closure of Wallaby Scrub Road would be as follows: • Level of service would remain unchanged at all intersections. • There would generally be minimal traffic impacts on the detour roads for the Wallaby Scrub Road closure as these roads (and the relevant intersections) have sufficient spare capacity to accommodate the resulting additional traffic with minimal intersection capacity impacts or delays. • The Putty Road and Charlton Road originating vehicle movements would be subject to increased travel distances of approximately 8.8km and 6.2km and additional travel times of 6 and 4 minutes per trip, respectively. • Travel safety and travelling conditions for the detoured traffic is expected to be improved due to improved road construction standards on the Golden Highway. • There would also be some savings in road maintenance costs for the Singleton Council as a result of the road closure. In its letter dated 19 May 2014 (see Appendix P of the EIS), the RFS advises that “whilst its preferred option would be the relocation of Wallaby Scrub Road to maintain access for emergency services, an acceptable second option is the construction of a suitable fire trail on the perimeter of the proposed extension area..”. The applicant has committed to the construction of an emergency access road/fire trail between Putty Road and the Golden Highway in accordance with RFS standards under the proposal. Impacts on other local roads generated by Warkworth Mine and MTO employees on external public roads would not change as there would be no change to the combined average project workforce. Truck traffic generated would remain at similar levels.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

Impact/opportunities		
	Perceived	Technical assessment
	Near neighbours perceive that the closure of Wallaby Scrub Road would inconvenience all Bulga and Milbrodale and some Broke residents in accessing areas west of the current intersection of Wallaby Scrub Road and Golden Highway.	
Community engagement/relationships and governance		
Company and community relationships	Opportunities to improve historic community relations Some stakeholders perceived that there were opportunities to improve historic community relations and management of the mine’s current impacts. This perception has impacted community trust. Positive community relations Some stakeholders from local business and local government described positive interactions with individual staff at MTW but perceived a general history of poor relations with the mine and a lack of ability to openly discuss, negotiate and engage as part of the local business and resident community.	Opportunities to improve community relations Since the Warkworth Extension 2010 proposal, based on feedback received from a range of stakeholders, a suite of ongoing and proposal specific strategies have been developed by Coal & Allied for communications generally and to manage/ mitigate or enhance these proposal-related impacts and opportunities. These are provided in Section 6.2.
Understanding of community and social impacts	Opportunity to improve understanding of relationships Some stakeholders perceived the opportunity to improve understanding of relationships with the community through the assessment process.	Opportunity to improve understanding of relationships The assessment provides an opportunity to build understanding of community and social impacts and to improve company-community relations. Stakeholder feedback also suggested some satisfaction with the consultation process itself, and the ability to ‘be heard’.

Table 5.4 Social impacts and opportunities from the proposal – perceived and technical assessment

	Impact/opportunities	
	Perceived	Technical assessment
Government major project assessment process, regulation, monitoring and public representation	Confidence in government assessment processes Stakeholders, including near neighbours, local businesses and council, and other interested stakeholders, perceived that the changes encompassed in the Mining SEPP have resulted in a loss of confidence in the NSW Government to adequately assess major mining projects, including this proposal, and to provide protection to, and representation of, the public. Stakeholders pointed to current allegations before the Independent Commission Against Corruption (ICAC) (during early-mid 2014) and the demonstrated connections between some mining companies and the NSW government (for example, improper donations). Stakeholders also discussed the impact on the ability to undertake a merits-based appeal on a project as an impairment of democratic rights. The Warkworth Continuation 2014 is seen by stakeholders to be relevant to the Mining SEPP amendments due to the timing and history of the proposal.	Government assessment processes Coal & Allied conduct its operations in accordance with NSW and Commonwealth legislation and internal high standards of conduct, including The Way We Work, its statement of business practice. The proposal will be considered by the NSW Government under the EP&A Act and a range of other legislation, regulations, policies and guidelines. These documents are frequently updated to ensure their ongoing relevancy. The EISs were prepared in accordance with current legislation and government policy and used the most recent and accurate scientific data relevant to the proposals. Feedback received from community and government stakeholder engagement together with the Secretary's requirements and the L&E Court judgement, provided guidance to the assessment approach, ensuring that all potential matters of relevance associated with the proposals were assessed.

6 Management, mitigation and enhancement

6.1 Introduction

A suite of socio-economic management, mitigation and enhancement initiatives are currently implemented at MTW. These would continue under the proposal. The applicants are committed to the implementation of additional measures that relate specifically to the proposals to manage potential adverse impacts and enable opportunities to be realised. Existing and proposal specific initiatives are provided in the sections below.

It is noted that management and mitigation measures referenced in Table 5.1 related to technical studies such as noise and air quality and are not repeated below. These are committed to in the respective technical studies that form part of the EIS.

6.2 Existing socio-economic initiatives

Coal & Allied would continue to implement a range of socio-economic initiatives under the proposals. These initiatives include the following:

- Continued management of Coal & Allied residential properties via the open market. Coal & Allied utilises the services of local real estate agents to manage its properties to a high standard of maintenance and management.
- Continued support for local primary schools – i.e. Broke and Milbrodale Public Schools.
- Continued engagement with Singleton Council on key areas of common interest including attraction and retention of residents and long term planning.
- Continued dedication of a proportion of the MTW Site Donation Committee annual funding for projects which contribute to near neighbour communities, including the Bulga community, and which are in accordance with the funding guidelines of the Committee.
- Continued development of the Coal & Allied Local Procurement Strategy incorporating the MTW operation.
- Continued preference for employees and contractors who reside locally.
- Continued implementation of the MTW Diversity Action Plan, with a key focus on increasing Indigenous and female employment relative to the local demographic context.
- Continued implementation of the MTW Apprenticeship and Graduate programme, drawing on local candidates, and consisting of:
 - five new apprenticeship positions each year;
 - Aboriginal scholarship programme in partnership with University of Newcastle, supporting two Aboriginal students per annum with a scholarship programme and vacation employment to complete their degrees;
 - two graduate positions per annum on a two year programme; and

- two vacation student positions each year.
- Enhance two-way flow of information and feedback between the MTW operation and the community through appropriate programmes such as a 'Community Scorecard'.
- Continued development of a mechanism to provide information on operational monitoring results and responses on a regular basis.
- Continued implementation of the Near Neighbour Engagement Programme (incorporating Bulga, Long Point, Warkworth, Mt Thorley, Milbrodale, Maison Dieu and Gouldsville) as part of Coal & Allied's Multi-Year Community Relations Plan, including:
 - community events (dinners/BBQs) in Bulga each year including optional site tours;
 - a "Closure 101" information session with the community to provide an overview of the Coal & Allied approach to mine closure planning, rehabilitation, future land use and management;
 - specific consultation for mining related activities that require near neighbour community input and communication; and
 - continued provision of a bi-annual open day to provide community stakeholders with the opportunity to visit the site and further understand the operation.
- Continued implementation of a Community Awareness Induction programme for new and existing MTW site employees.

6.3 Proposal specific initiatives

Additional initiatives that relate specifically to the proposals are provided following.

- The development of a Social Impact Management Plan (SIMP) to manage and monitor the implementation of strategies to reduce identified social impacts and enhance social opportunities. The SIMP would detail implementation responsibilities; timing; performance indicators and targets; and monitoring measures. The SIMP would be prepared in consultation with key stakeholders, following the EIS public exhibition and submissions process. The key aims of the SIMP would be to:
 - reflect the findings and recommendations of the SIA and provide a short summary of findings;
 - summarise for all stakeholders the potential positive and negative impacts of the proposals, proposed mitigation and management strategies, and implementation actions;
 - be developed for the life of the proposals; and
 - promote an active and ongoing role for communities, local authorities and all levels of government through operation and decommissioning of the proposals.

- The negotiation of a Voluntary Planning Agreement with Singleton Council. The VPA would present an opportunity to ensure a proportion of the funds are dedicated to maintaining and/or improving facilities and services in Bulga, other local neighbouring communities, and the Singleton LGA as a whole.
- The establishment of a Near Neighbour Amenity Resource to provide support to residents surrounding the operation.

7 Conclusion

Coal mining is a key industry in NSW and is the largest employer in Singleton, Cessnock, Muswellbrook LGAs, and the second largest employer in Upper Hunter Shire LGA. These LGAs have generally experienced population growth greater than the NSW average between 2006 and 2011 (with the exception of Singleton LGA). Average incomes in these areas have also increased by more than the NSW average. However, the recent slowdown in the mining industry has impacted the regional economy.

The proposal would enable operations to continue beyond 2015 allowing MTW to maintain 1,300 jobs over the longer term and for it to continue to be a major employer in the Singleton LGA. As a long standing member of the community, with both mines commencing operations in 1981, the greater impacts on the socio-economic environment and community services from the proposal are predicted to occur if the proposal does not proceed. These would include:

- workers and their families moving away from the area;
- workers and their families faced with unemployment and financial difficulties;
- reduced local spending;
- decreased local businesses;
- contribution to population decline;
- reduced viability of services such as local schools; and
- reduced community life and participation.

The SIA involved a number of activities including: profiling; stakeholder identification and engagement; scoping/prediction; evaluation/assessment; and, management, mitigation and enhancement. These activities provided an understanding of the existing socio-economic environment of the local community and region and a range of stakeholder perceptions of the proposals. The SIA integrated findings from relevant technical studies and literature to inform the assessment process.

The stakeholder perceived impacts and opportunities of the proposal, paying particular attention to Bulga village, were determined through consultation and compared to the outcomes of technical studies that form part of the EISs or with external literature. Matters raised related predominately to amenity, the physical environment, health and well-being, the economy, infrastructure and services, and community engagement, relationships and governance. The majority of the matters are addressed in detail by the corresponding technical studies of the relevant environmental aspect or economic studies. Coal & Allied would continue to address these matters through ongoing consultation process to inform stakeholders of the impacts and opportunities of the proposal and proposed mitigation and management strategies.

In addition, a suite of continuing and new social initiatives have been developed by Coal & Allied to manage or mitigate perceived impacts and to enhance opportunities, based on feedback from stakeholders. These initiatives include the continued investment in the community and engagement with key stakeholders including Singleton Council and near neighbours and enhancement of the two-way flow of information and feedback between the MTW operation and the community through appropriate programmes such as a 'Community Scorecard'.

A SIMP would be developed for the proposals to further develop these management and mitigation measures and detail a plan of implementation including responsibilities; timing; performance indicators and targets; and monitoring measures. The SIMP would be prepared in consultation with key stakeholders, following the public exhibition and submissions process for both EISs.

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Appendix A

Employee and supplier survey: key findings

A.1 Introduction

This report considers the key findings of the MTW Supplier and Employee Contribution and Participation Surveys (SECAPS). The primary objective of the project was to gain insights into the ways in which MTW employees' and suppliers' contribute to, and participate in, the Hunter community.

The SECAPS were undertaken as part of the SIA process for the Warkworth Continuation 2014 and Mount Thorley Operations 2014 projects and were designed to provide further detail on the social impacts and opportunities of the projects. The key findings report begins with a brief overview of the project approach (timelines and method) before addressing the outcomes of each survey.

A.2 Approach

The SECAPS were carried out in March 2014 in both online and paper-based survey formats. Both surveys were designed to take approximately 5 minutes to complete (given concerns about time-constraints on suppliers and employees) and guaranteed participant anonymity by excluding personal identifiers (e.g. name, IP address, company) from the survey instruments). In total, 629 employees and suppliers completed the survey.⁵ The specific approach and details for each survey are outlined below:

- **Employee Survey:** given that a proportion of MTW employees do not have regular work-related computer access, the Employee Survey was delivered in both online and paper-based survey formats. The online survey was sent via an invitation email—including hyperlink to survey—to over 400 employees with regular access to a computer at work. Of this contact sample of 409 employees, 228 completed the online survey. Employees who do not have regular access to computers at work were invited to complete a paper-based survey at pre-shift meetings; resulting in 145 paper-based survey completions. These paper-based surveys were then entered into the online survey system by EMM. In total, 373 employees completed either an online or paper-based survey.

The Employee Survey consisted of 18 questions related to place and status of residence, employment status and remuneration, and various questions on estimated/ reported contribution and participation to LGAs and the Hunter Region more broadly.

- **Supplier Survey:** the survey was delivered in an online survey format via an invitation email—including hyperlink to survey—to over 450 suppliers, with a final number of valid survey responses of 256. The Supplier Survey consisted of 16 questions related to industry type, location, workforce size, supplier relationship with MTW, and estimated/ reported contribution and participation to LGAs and the Hunter Region more broadly.

Responses for both surveys were collated using an online database, the data from which was then exported to statistical analysis software (IBM SPSS) for coding, clarification and analysis. The key findings from the analysis of each survey are presented below.

⁵ There were 629 valid entries in total across the SECAPS; surveys with substantial missing values were excluded from this total sample and, subsequently, from analysis.

A.3 Employee Contribution and Participation Survey

Of the 373 employees who participated in the survey, around 35 per cent stated that they currently live in the Singleton LGA, with Maitland LGA (30.8 per cent) and Cessnock LGA (16.1 per cent) the other prominent areas of residence (see Figure A.1).

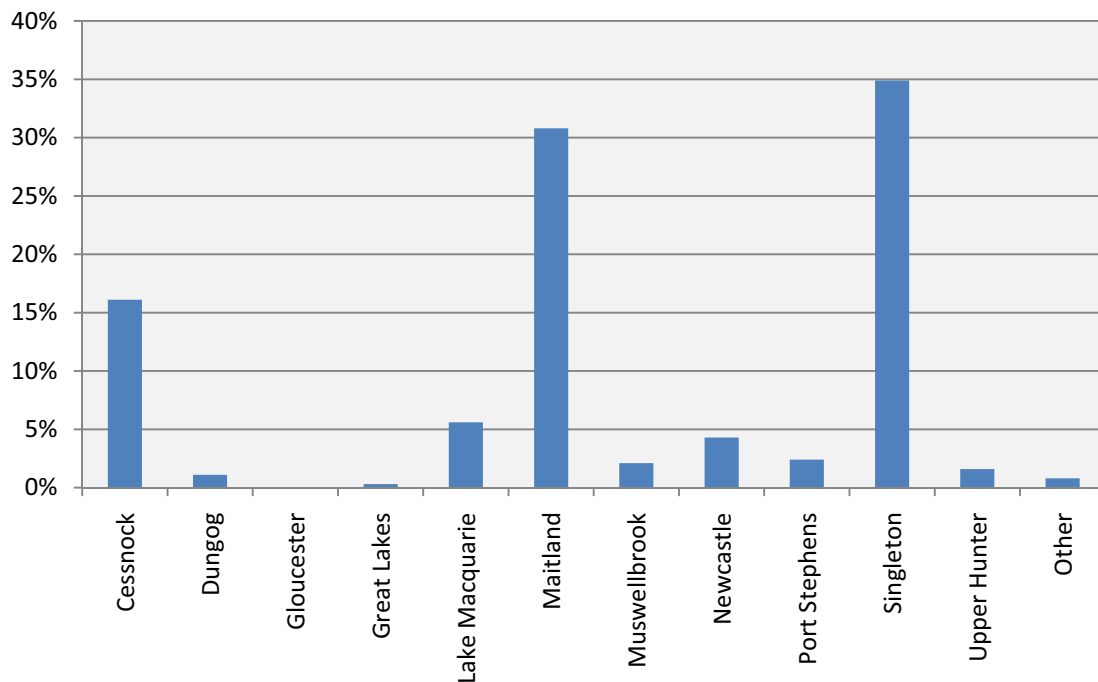


Figure A.1 In which Local Government Area (LGA) do you currently live?

Main suburbs of residence for each of the three major resident LGAs included:

Singleton LGA: Singleton (30.6 per cent), Singleton Heights (16.1 per cent), Hunter view (12.9 per cent), Wattle Ponds (10.5 per cent).

Maitland LGA: Aberglasslyn (26.9 per cent), Rutherford (15.7 per cent), Thornton (9.3 per cent).

Cessnock LGA: Cessnock (17.2 per cent), Branxton (10.3 per cent), Greta (8.6 per cent).

Participants were then asked to recall how long they had lived in that suburb. Almost two-thirds of respondents indicated that they had lived in their current resident suburb for less than 10 years (<1 year (6.7 per cent); 1-2 years (9.7 per cent); 2-5 years (26.6 per cent); 5-10 years (20.4 per cent)). Over 20 per cent reported having lived in their suburb for more than 20 years (20-30 years (10.2 per cent); >30 years (11.3 per cent)), while the remaining 15 per cent were resident for between 10 and 20 years (10-15 years (9.7 per cent); 15-20 (5.4 per cent)) (see Figure A.2).

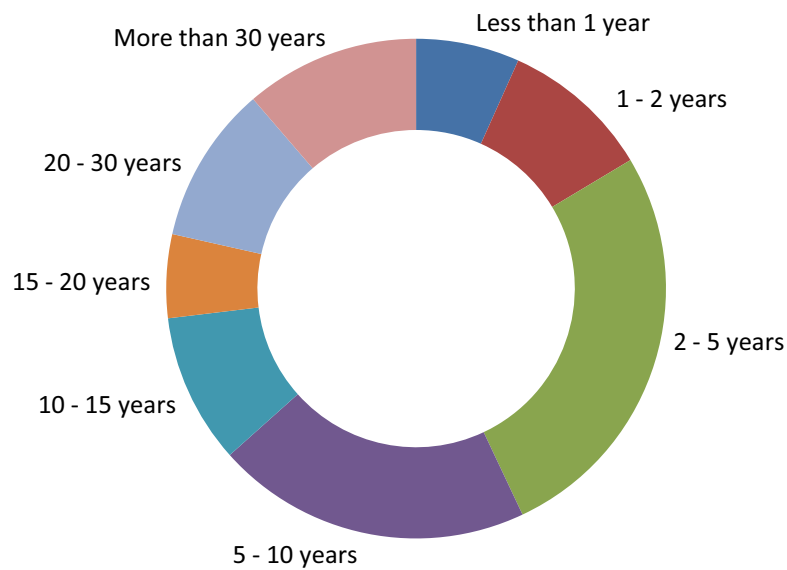


Figure A.2 How long have you lived in this suburb?

Question 4 asked respondents to nominate their housing status in terms of whether they rent, have a mortgage, own outright or are currently boarding with friends or family (see Figure A.3). The mortgage holder category clearly dominated responses, with 61.5 per cent of respondents indicating that they currently have a mortgage; 20.2 per cent indicating that they currently rent, 15.9 per cent own their property outright, whilst just 2.9 per cent currently live with friends or family.

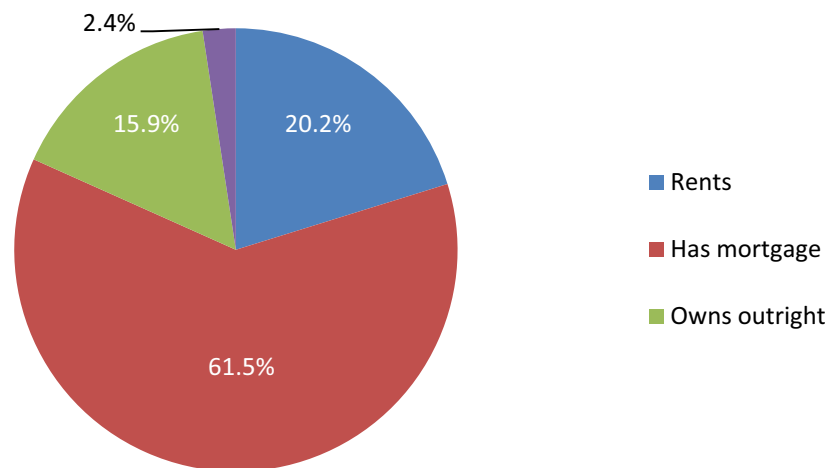


Figure A.3 At your current residence do you rent, have a mortgage, own outright or stay with others?

In terms of work status, 90.3 per cent of respondents indicated that they were currently working full-time at MTW, 8.4 per cent indicated that they worked on a casual contract at MTW, and 1.3 per cent indicated part-time employment at MTW. When asked about the length of their employment, almost 60 per cent indicated that they had worked at MTW for less than 5 years (2-5 years (46.4 per cent); 1-2 years (7.8 per cent); <1 year (4.9 per cent), 24.5 per cent for 5-10 years and over 16 per cent more than 10 years (10-15 years (4.9 per cent); >15 years (11.6 per cent) (see Figure A.4).

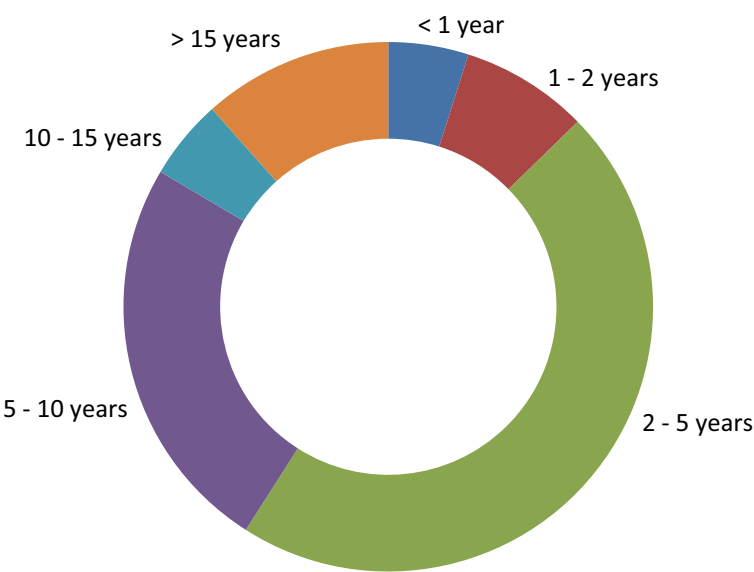


Figure A.4 **How long have you been employed at Mt Thorley Warkworth operations?**

Participants were also surveyed as to the number of children they have in educational facilities in the Hunter Region. In total, 209 respondents indicated that they had children and that these children attended pre-, primary, secondary and/or tertiary educational facilities—as outlined in Table A.1. The table indicates that employees have younger children (reflecting age demographics for the MTW workforce) and a relatively significant level of childcare facility use when compared with NSW averages.

Table A.1 **Educational attendance by number of children**

Facility	No. of children				TOTAL
	1	2	3	4	
Childcare facility	58	18	2	0	78
Primary school	57	49	11	1	118
High School	47	27	4	0	78
Newcastle Uni	13	3	0	0	16
Technical college	9	2	0	0	11

Participants were also asked to nominate the LGA in which these facilities are located. The location data for educational facilities indicated a greater representation of educational facility attendance in the Maitland LGA (almost 50per cent of responses) compared to only 30.8 per cent of the resident LGA share, perhaps reflecting the larger number and range of primary and secondary educational facilities in the Maitland LGA.

Question 7 asked respondents to provide their current pre-tax income (gross) earned from work at MTW operations; given the sensitive nature of providing income details in a survey of this type, the response was made optional. Of the 216 responses received, the response average (mean) was \$124,513.72 and the response total was \$26,894, 964.00. The income range was \$10,800.00 (min) to \$350,000.00 (max).⁶

When asked to estimate the percentage of that income that is spent in their LGA, over two-thirds of respondents estimated that they spent between 30 per cent and 80 per cent of their incomes in their LGA; however, the most nominated quintile was the 70 per cent to 90 per cent band, with almost a third of all respondents estimating their local spend in that range [see Figure A.5]. For estimated percentage of their income spent in the Hunter Region, respondents logically indicated a much higher percentage spend in the Region. The highest quintile for estimated regional spend was the 80 per cent to 100 per cent band, with over 40 per cent of responses falling in this range. The highest two quintiles, 60 per cent to 80 per cent and 80 per cent to 100 per cent, constituted almost 70 per cent of total estimates of proportional regional spend (see Figure A.5).

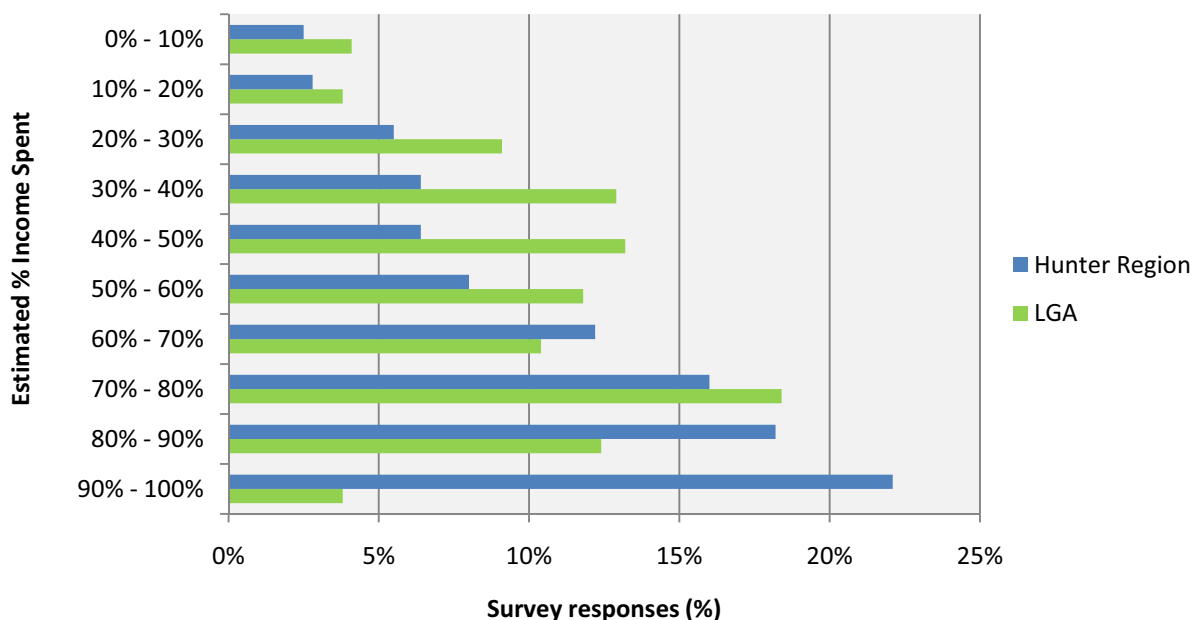


Figure A.5 What percentage of your income do you estimate is spent in your LGA? What percentage of your income do you estimate is spent in the Hunter Region?

⁶ The response average (mean) of \$124,513.72 may not reflect actual gross adjusted annual average salaries given that respondents would normally indicate their normal fortnightly/ monthly base wage without factoring in additional salary remuneration such as allowances, superannuation, benefits, escalations and on-costs.

Participants were then asked eight questions relating to their contribution to and participation in community organisations and activities. Just over one-third of respondents stated that they currently undertake some form of voluntary work (e.g. charity, community services, care, emergency services) and, of those that indicated current voluntary work activities, the majority carried out this work for sporting or physical recreation organisations (49.6 per cent of responses). Other prominent organisations for which respondents carried out voluntary work included emergency services (21.1 per cent), children/ youth/ parenting (19.5 per cent), education/ training (13.0 per cent) and community/ welfare (12.2 per cent) (see Figure A.6).

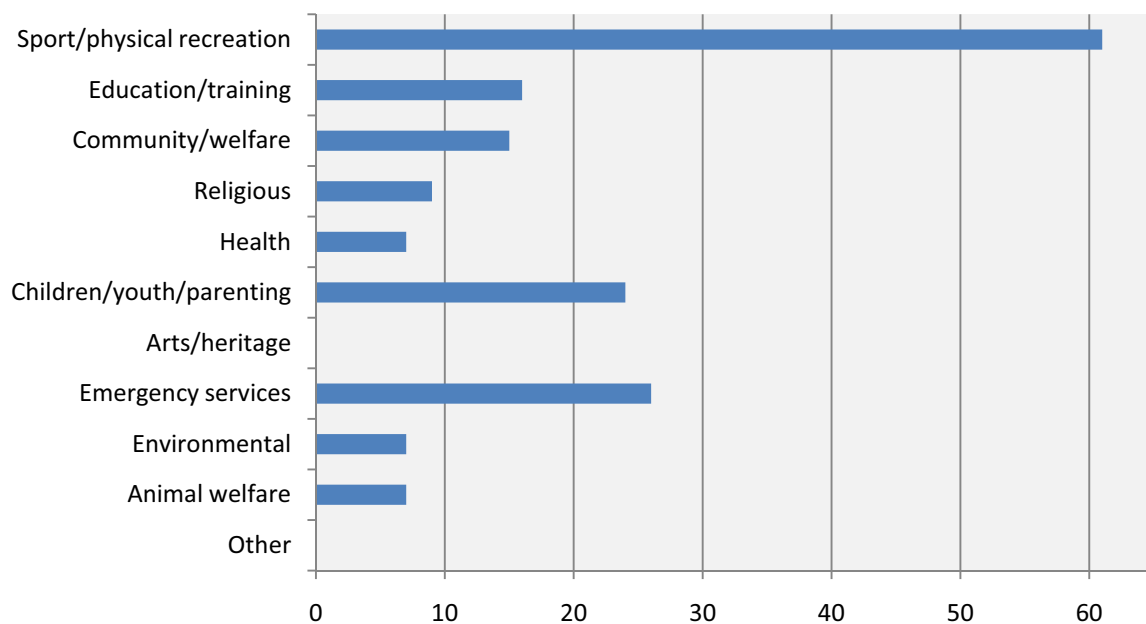


Figure A.6 What type of organisation/s do you undertake voluntary work for?

In relation to the type of voluntary work undertaken, three primary categories of responses were evident: teaching/ instructing/ coaching/ refereeing (52 responses); fundraising (41 responses); and, committee work (33 responses) (see Figure A.7).

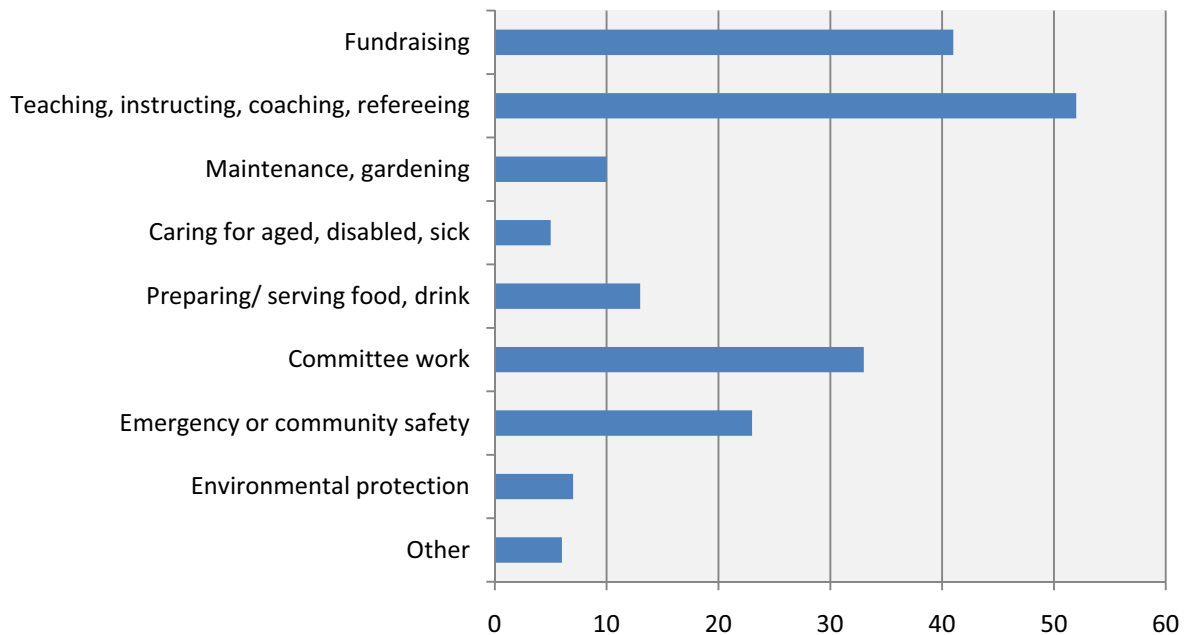


Figure A.7 What type of voluntary work do you mainly undertake?

In terms of time commitment to voluntary work, the majority of respondents dedicated between 1 – 10 hours per month to voluntary work (1-5 hours (37.2 per cent); 5-10 hours (35.5 per cent), with some 22.3 per cent going further and dedicating 10 – 20 hours per month (see Figure A.8). Participants were also asked to think about the voluntary work activity they spent the most time on and to nominate the LGA in which this generally occurred. The results largely (and logically) mirrored the residency data, although there was a slightly larger percentage of respondents that nominated Singleton LGA (45.9 per cent) as the location for voluntary work (see Figure A.9).

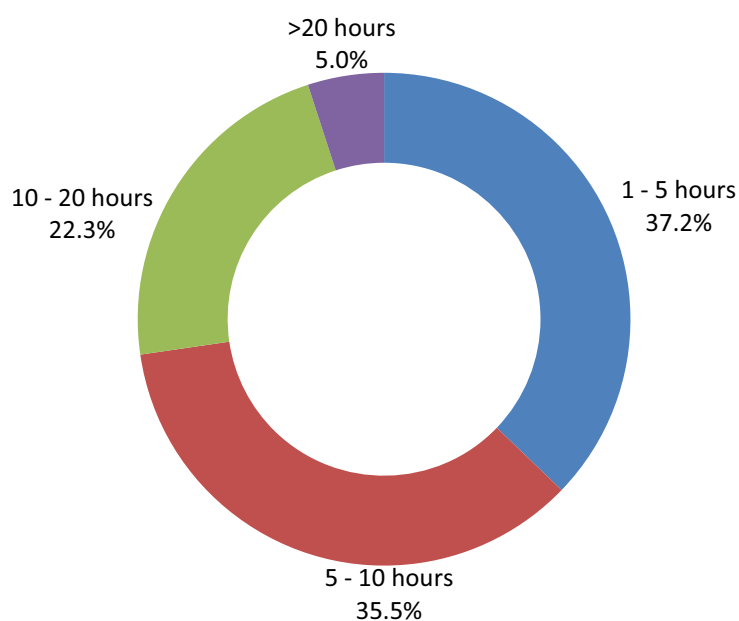


Figure A.8 How many hours per month do you dedicate to voluntary work?

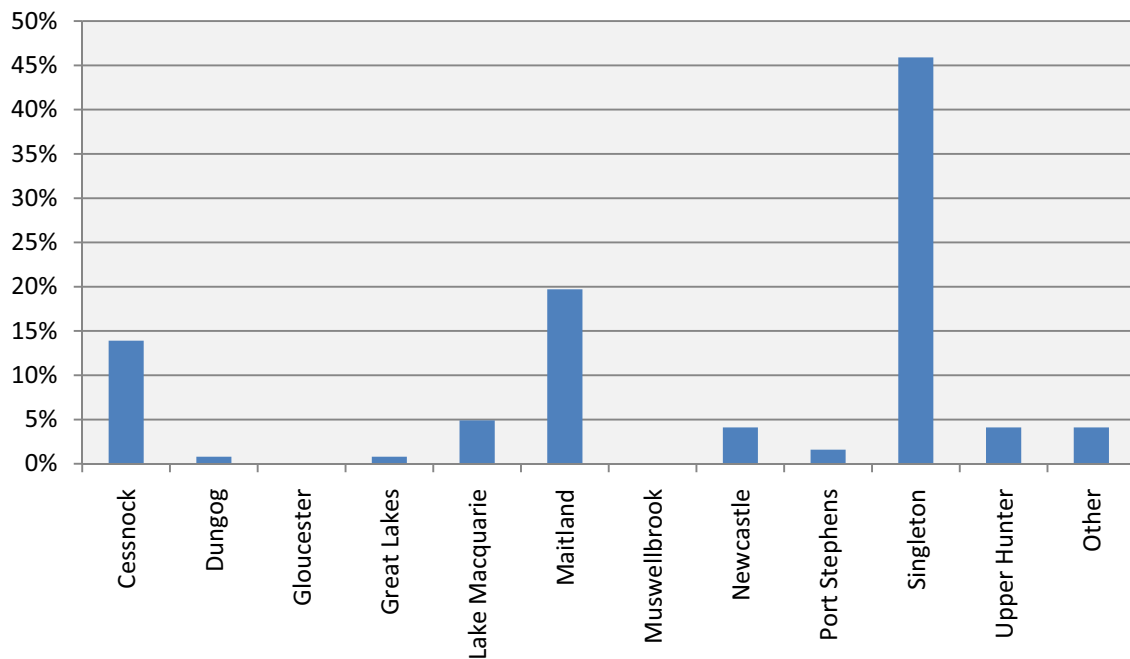


Figure A.9 LGA for primary voluntary work activity

Respondents were also asked whether they participated in any community activities, such as playing sport and/ or attending community events. Responses tended to fall into the three categories of playing sport (226 responses), attending community events (150 responses), and/ or attending school events (121 responses) (see A.10). A reasonably large number of respondents (57) indicated that they did not participate in any community activities—although some self-selection bias may be evident, given that selecting this option took participants to the end of the survey (Figure A.10).

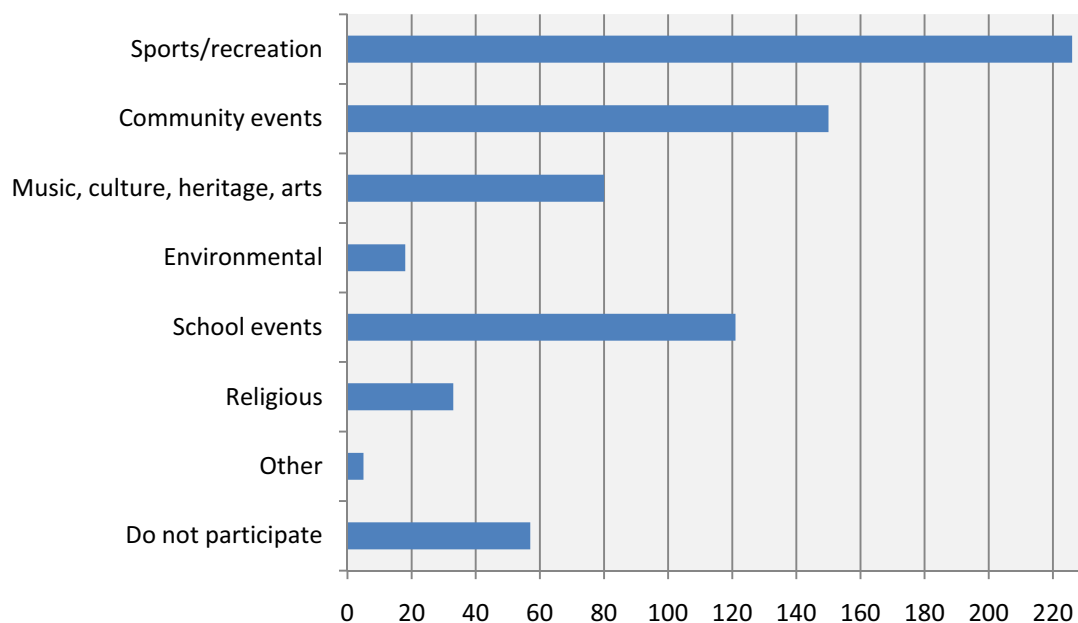


Figure A.10 Do you participate in any of the following community activities?

The majority of those respondents who participated in community activities did so for between 1 – 10 hours per month (1-5 hours (45.3 per cent); 5-10 hours (24.1 per cent), with some 15 per cent dedicating 10 – 20 hours per month (see Figure A.11). Again, the location for these activities tended to reflect residency, however Newcastle LGA was more prominent in the community activity location results (8.3 per cent) (see Figure A.12).

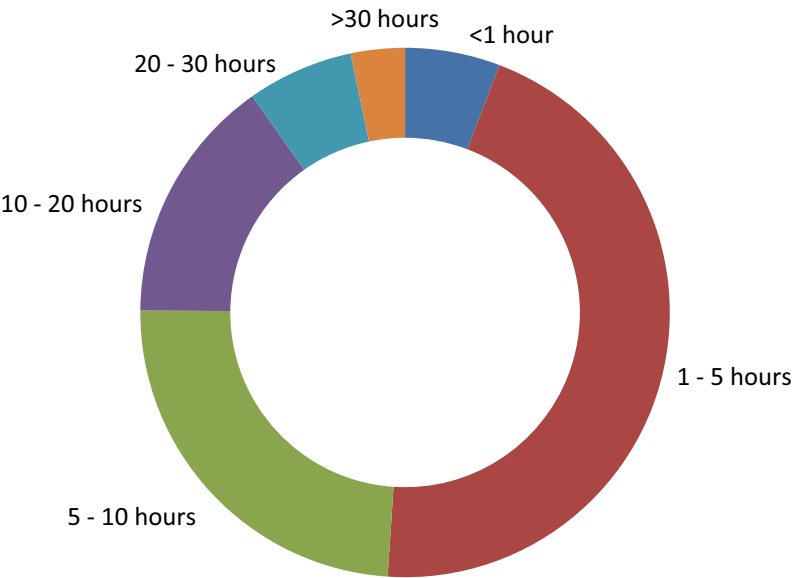


Figure A.11 How many hours per month do you generally spend undertaking community activities?

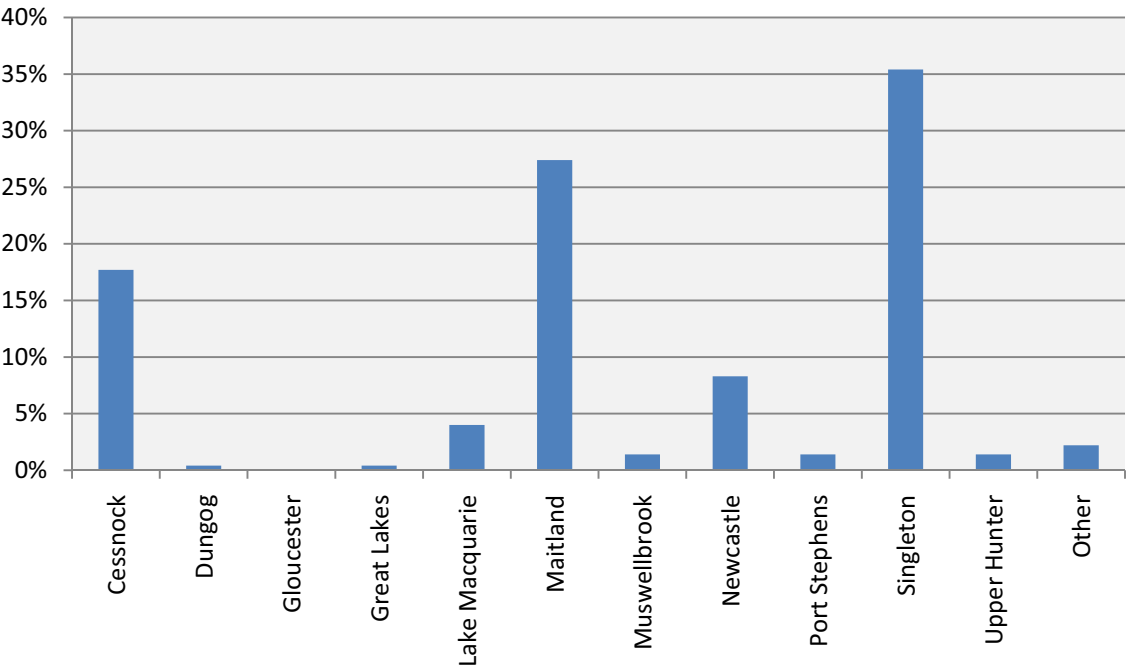


Figure A.12 LGA for primary community activity

A.4 Supplier Contribution and Participation Survey

Respondents to the Supplier Survey were first asked to identify the main industry of their organisation, with mining (32.0 per cent) and manufacturing (29.3 per cent) clearly dominant (see Figure A.13).

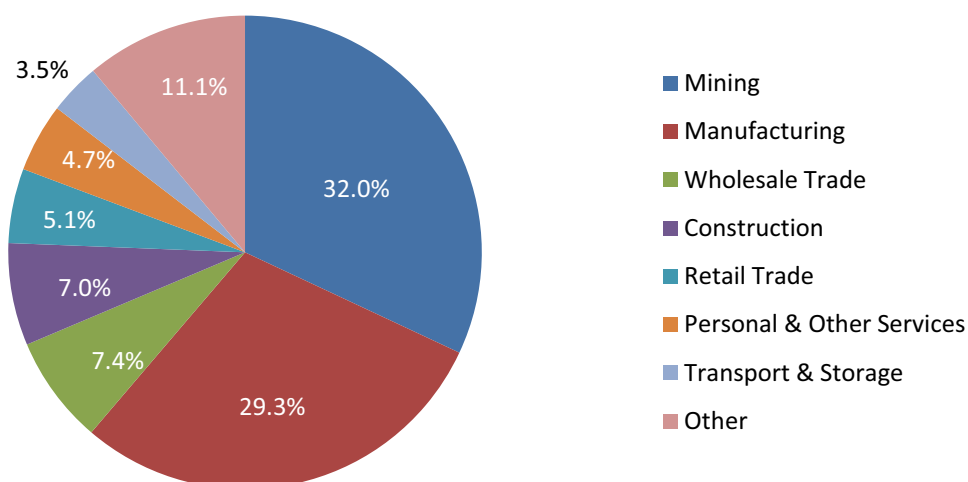


Figure A.13 Which of the following best describes the main industry of your organisation?

The main LGAs for regional offices of respondent supplier organisations included Singleton (26.2 per cent), Newcastle (19.0 per cent) and Maitland (12.3 per cent), with 'Other LGA' (22.6 per cent) typically including LGAs in Sydney, Brisbane and the Central Coast (see Figure A.14).

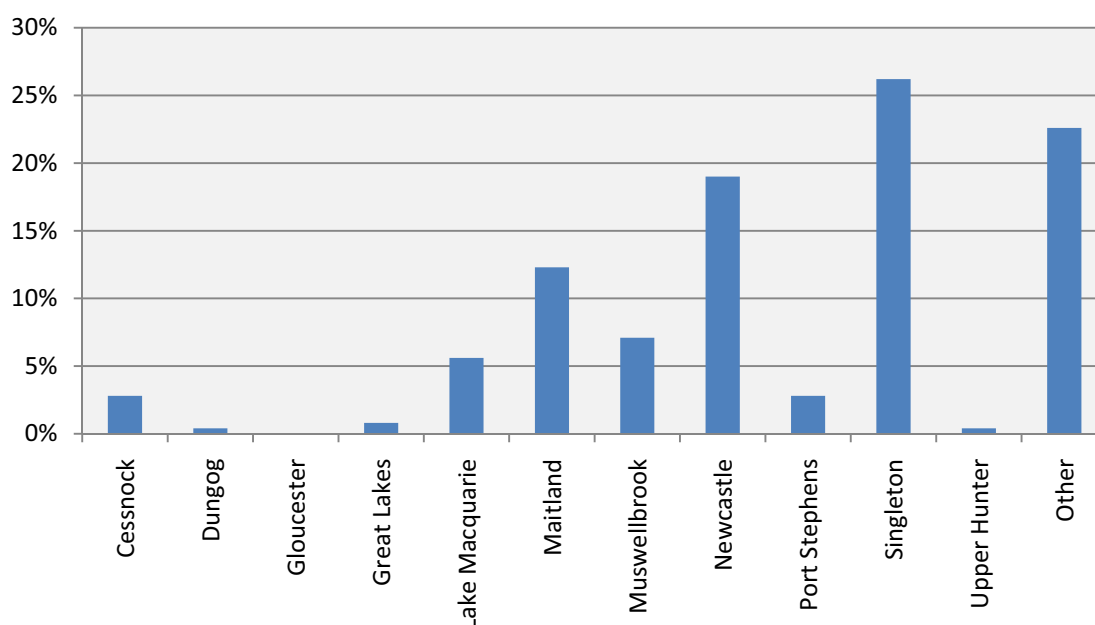


Figure A.14 LGA for main regional office

The main suburbs for each of the three major LGAs for office location included:

Singleton LGA (26.2 per cent of total responses): Singleton (35.9 per cent), Mt Thorley (26.6 per cent), Maison Dieu (17.2 per cent).

Newcastle LGA (19.0 per cent of total responses): Beresfield (20.8 per cent), Warabrook (10.4 per cent).

Maitland LGA (12.3 per cent of total responses): Rutherford (9.4 per cent), Thornton (9.4 per cent).

When asked how many employees currently work at this local/ regional office, two-thirds of all respondents indicated that 20 or less employees (66.4 per cent) worked at the office (<5 employees (21.3 per cent); 6-10 employees (19.7 per cent); 11-20 employees (25.4 per cent), whilst a further 18 per cent indicated that the office had between 21 and 30 employees (see Figure A.15).

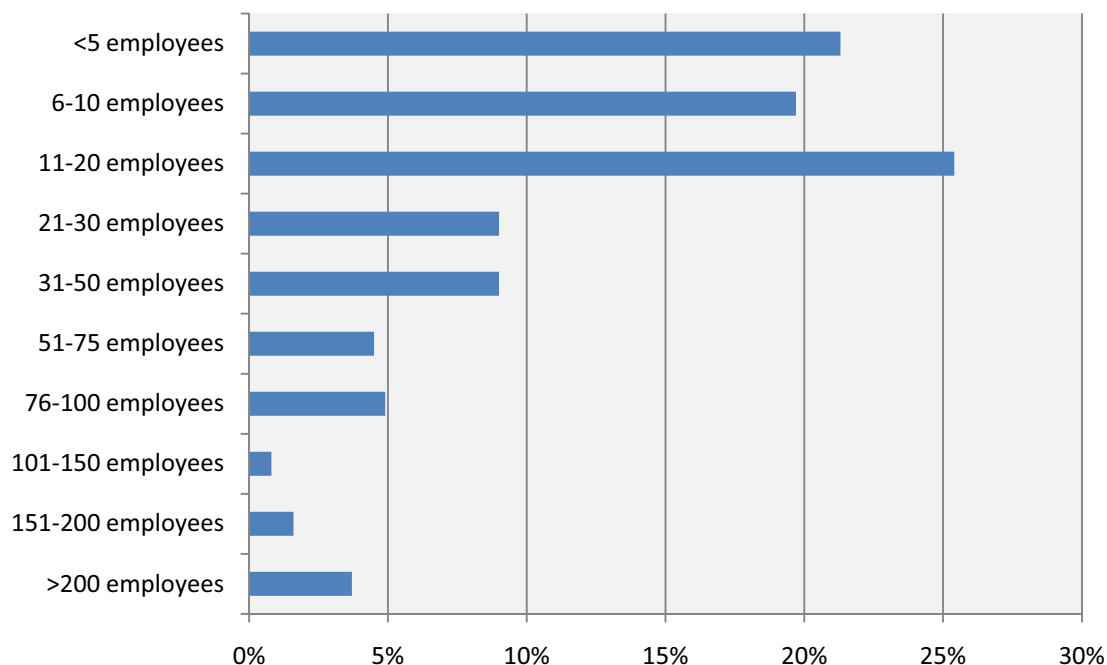


Figure A.15 How many employees currently work at this local/regional office?

The survey then asked participants to specify the value of their supplier relationship with MTW in the last financial year (total amount spent by MTW on their goods and/ or services in 2012/13). The average value of responses was \$1.194 million, with the aggregate value for the 214 respondents to the question standing at \$255.516 million. Respondents were then asked to estimate how much of their annual business expenditure (including wages and all other outlays) is spent in the LGA of their main local/ regional office [see Figure A.16]. Estimates were reasonably evenly spread across the deciles, with the most prominent quintiles being the 30 per cent - 40 per cent and 70 per cent - 90 per cent bands. Estimates for percentage spend in the Hunter region as a whole tended to fall in the 70 per cent - 100 percentile (see Figure A.17).

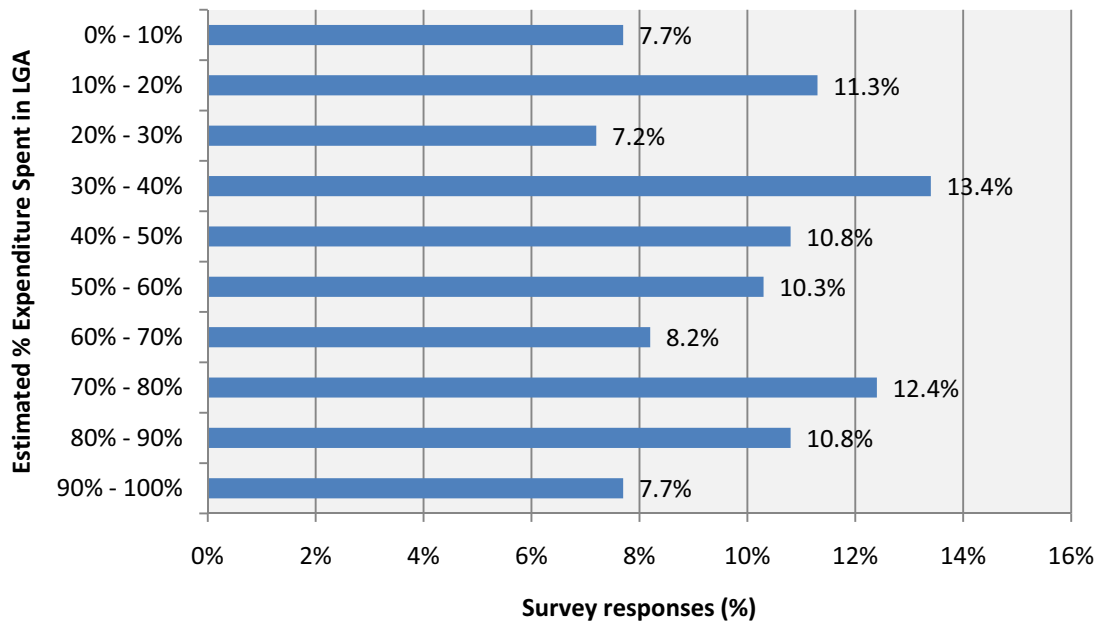


Figure A.16 What percentage of your total business expenditure do you estimate is spent in your LGA?

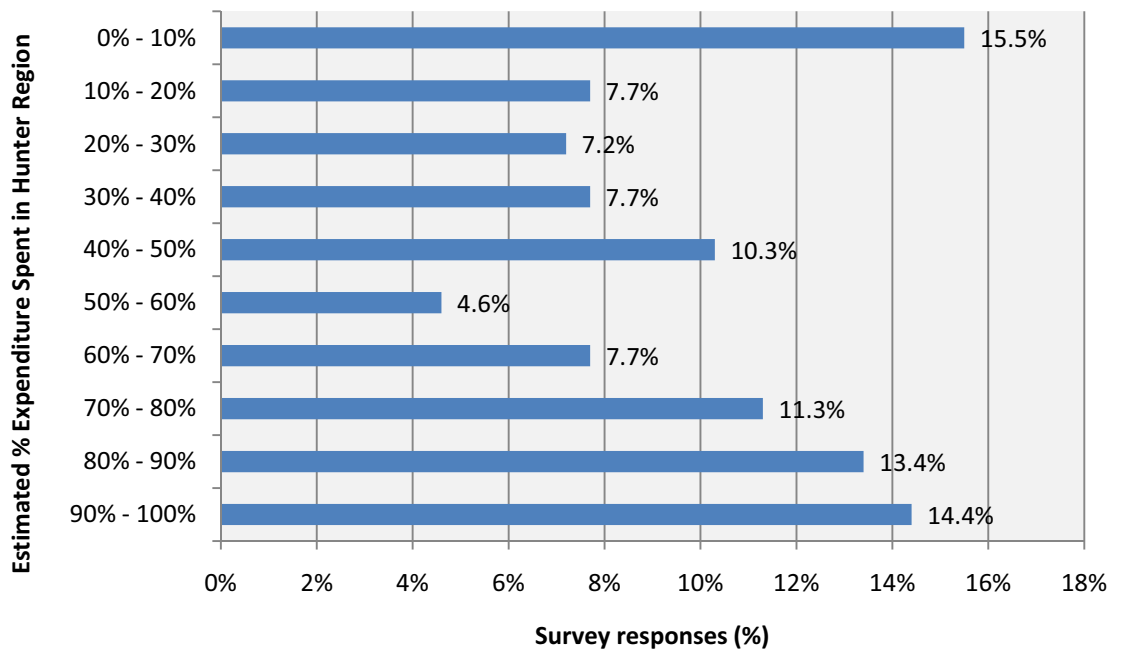


Figure A.17 What percentage of your total business expenditure do you estimate is spent in the Hunter Region?

The survey then sought to get an indication of the degree to which respondent organisations were reliant on MTW, with respondents asked to provide an estimate of their total annual business revenue that is directly related to MTW. Over 60 per cent of respondents indicated that less than 10 per cent of their revenue was directly related to MTW, with nearly 90 per cent indicating that less than 30 per cent of their revenues were directly attributable to MTW (see Figure A.18).

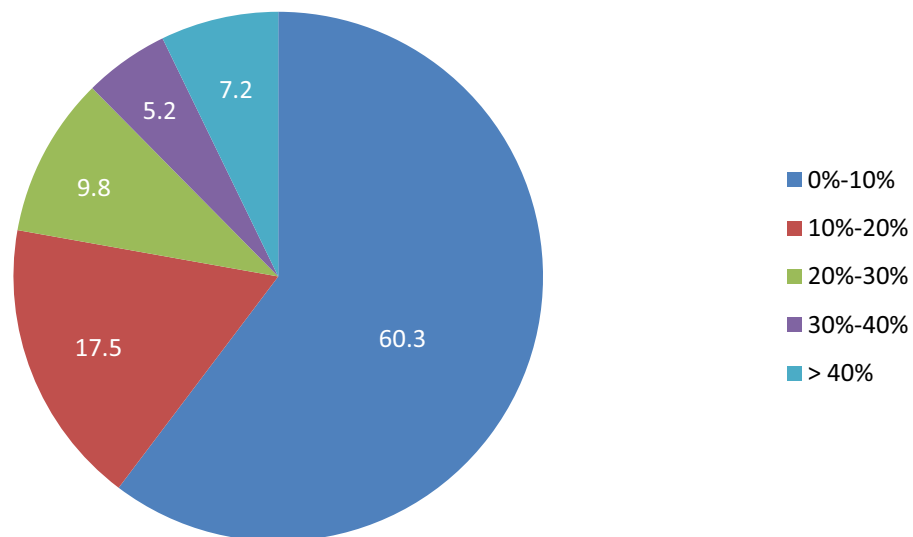


Figure A.18 What percentage of your total annual business revenue do you estimate is directly related to MTW?

In relation to corporate contributions to community organisations (e.g. charities, community services, health care) in the Hunter Region, 75 per cent of participants indicated that they make direct financial contributions. There was reasonable diversity in the types of organisations to which these financial contributions were made, including sporting (84 responses), welfare (65 responses), emergency services (55 responses), education (42 responses) and health (41 responses) organisations (see Figure A.19). The total financial contribution to these community organisations for the past 12 months was generally estimated to be between \$500 - \$25,000, with the primary band being \$1,001 - \$10,000 (see Figure A.20).

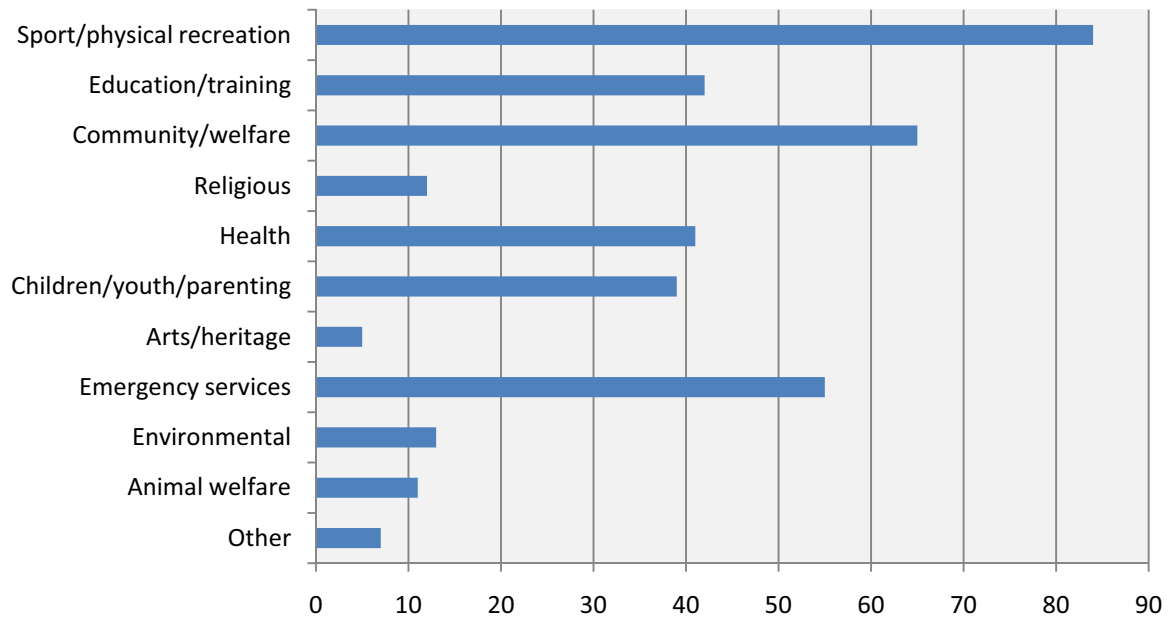


Figure A.19 What type of community organisations in the Hunter Region did your company make financial contributions to?

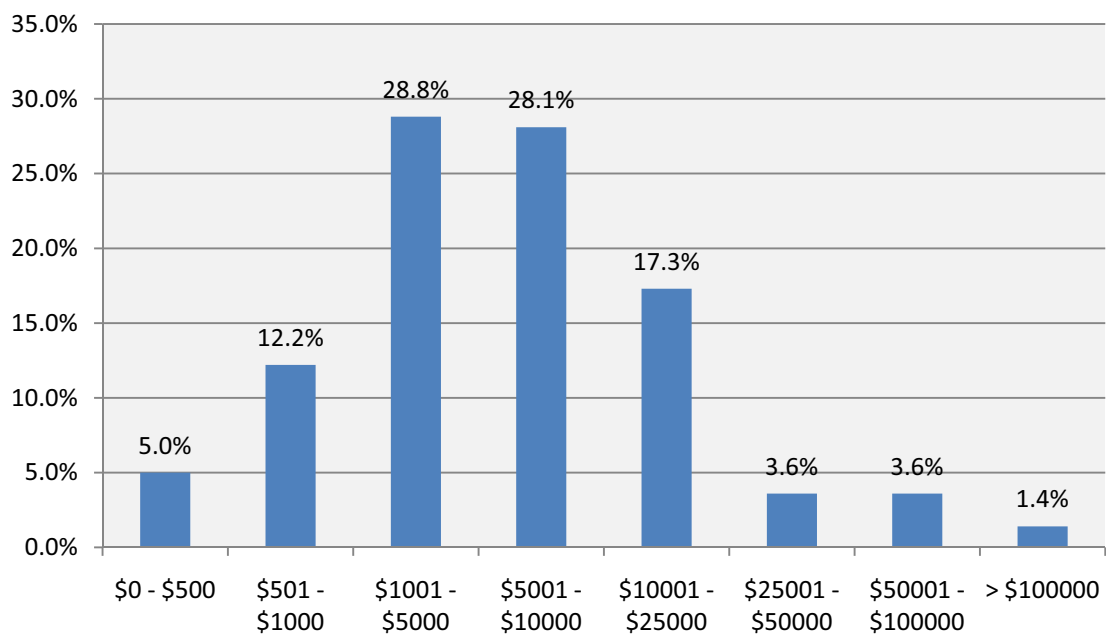


Figure A.20 Total financial contributions to community organisations in the past 12 months

When asked to think about the community organisation that receives the highest financial contribution, the primary LGAs where those organisations generally operated included Singleton LGA (33.8 per cent), Newcastle LGA (25.9 per cent) and Maitland LGA (12.2 per cent) (see Figure A.21).

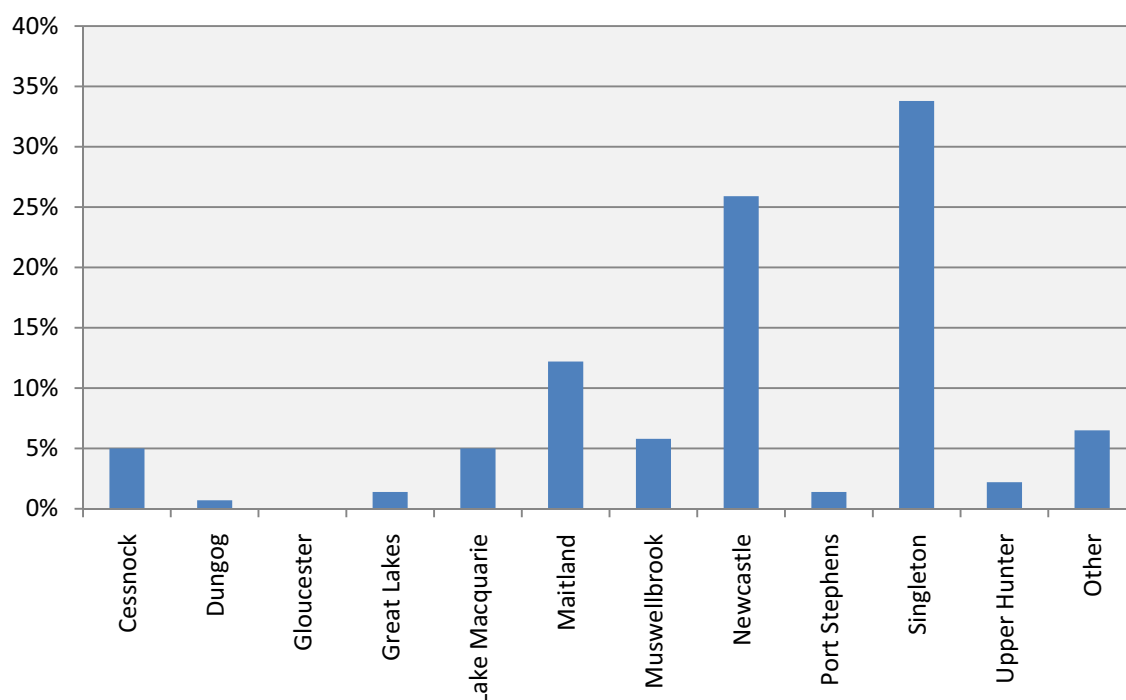


Figure A.21 LGA for community organisation with highest financial contribution

Participants were also asked whether they made any non-financial contributions (e.g. donating equipment, company resources, use of facilities) to community organisations in the Hunter Region, with 52.2 per cent of respondents indicating that their organisation makes these types of contributions. Community organisations receiving non-financial contributions included sporting (50 responses), community welfare (35 responses), education (27 responses), youth (21 responses) and emergency services (20 responses) organisations (see Figure A.22). The primary types of non-financial contribution made included donation of new/ used equipment (48 responses), allowing employees time off work to contribute (44 responses), use of company facilities or services at no cost (42 responses), advisory services at no cost (26 responses) and training at no cost (24 responses) (see Figure A.23).

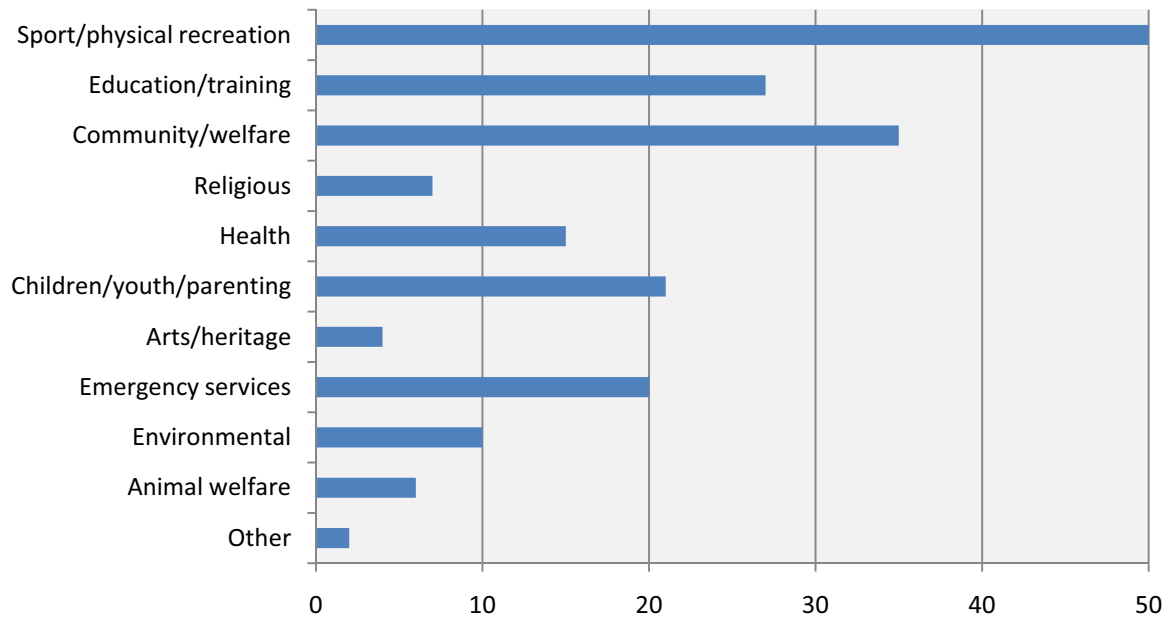


Figure A.22 What type of community organisations in the Hunter Region did your company make non-financial contributions to?

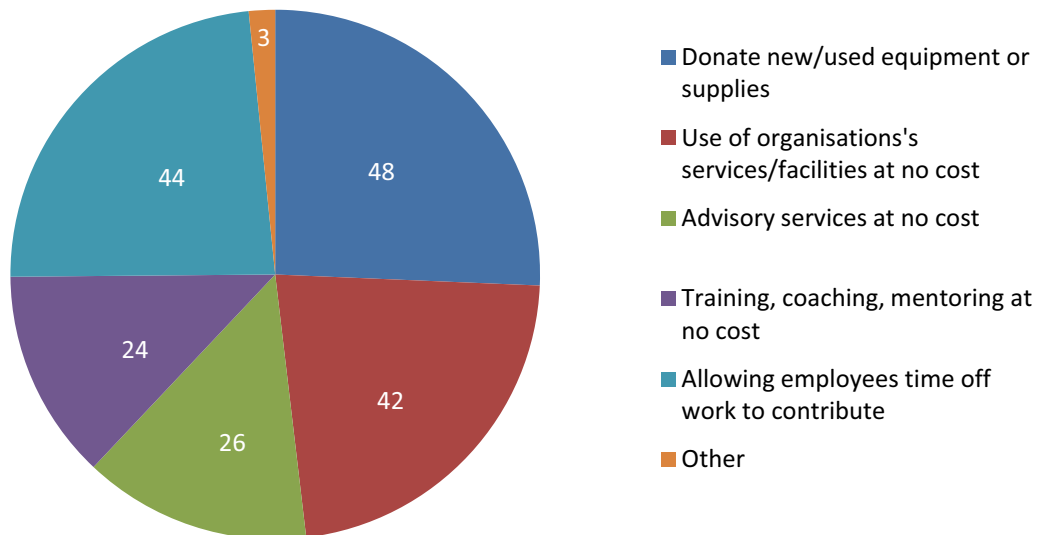


Figure A.23 What type of non-financial contributions does your company make to community organisations?

Finally, suppliers were asked to think about the community organisation that receives the most substantial non-financial contribution from their company and to indicate in which LGA that organisation generally operates—as with the financial contributions, Singleton (38.5 per cent), Newcastle (19.8 per cent) and Maitland (10.4 per cent) LGAs dominated responses (see Figure A.24).

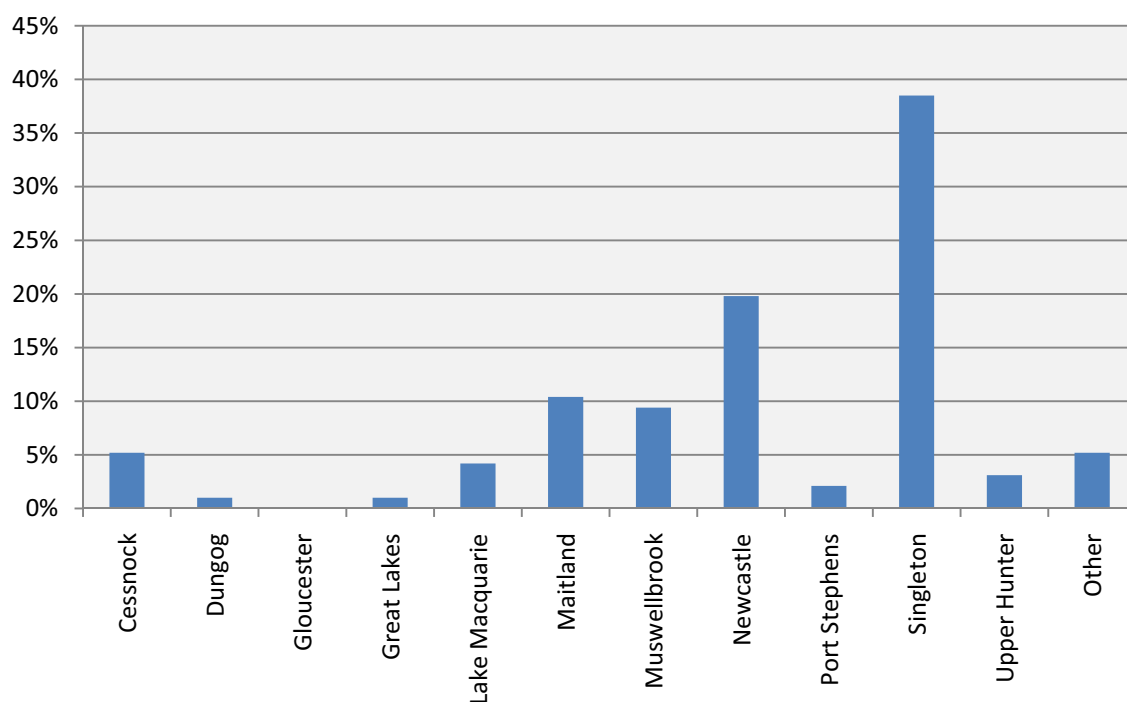


Figure A.24 LGA for community organisation that receives the most substantial non-financial contribution

Appendix B

Social and community profile

B.1 Family and ethnicity

The assessment area generally had a higher proportion of family households than the NSW average in 2011, particularly in Bulga SSC where nearly all households were characterised as family households. The exception to this was in Muswellbrook and the Upper Hunter Shire, which had proportionally higher single or lone person households (this was also the case in Singleton SSC). Generally, group households were at or below the NSW average, except for Broke SSC (see Table B.1).

The distribution of household types across all areas generally shifted closer to NSW distributions between 2006 and 2011, while still maintaining a slightly higher overall proportion of families and a slightly lower overall proportion of lone and group households. Other key characteristics include: the relative dominance of nuclear families (couples with children and no other relatives) in Singleton and Maitland; an above-average proportion of lone person households in Upper Hunter Shire (with its older age profile); and a relatively high incidence of single parent families in Cessnock (HVRF 2013b).

Overall, the greatest contributor to net growth in the number of households in both NSW and the assessment area has been an increase in the number of lone households, followed by households consisting of a sole couple with no children. Growth in these household types has historically been associated with ageing of the population. However, the data highlights substantial differences within the assessment area, consistent with the influx of young working adults into mining areas. Muswellbrook experienced a relatively rapid growth of lone person households, contributing 81 per cent to the net growth in the number of households in the LGA between 2006 and 2011, combined with a substantial decline (24 per cent) in the number of couple family households with children. Singleton LGA experienced a similar, although less marked, growth of lone person households and a small decrease in the number of couple families with children, while growth in the number of couple families with no children was also a major contributor to net growth in the number of households. Multiple family households grew much faster in Cessnock LGA than elsewhere. Cessnock and Upper Hunter Shire LGAs were also notable for growth in the number of single parent families. The differential patterns for multiple family and single-parent households may in part reflect availability of more affordable housing in these LGAs (HVRF 2013b).

The assessment area experienced relatively little change between 2006 and 2011 in the ethnic and cultural mix of the population (based on ancestry and country of birth). This relative stability reflected the dominance of Australian-born people (steady at 87.6 per cent) and those of British heritage. The main exception to this was Muswellbrook LGA, where the proportion of residents who nominated Australia as their country of birth fell marginally from 87.9 per cent in 2006 to 86.4 per cent in 2011. The assessment area experienced small growth of residents born in Asia (particularly the Philippines) and Sub-Saharan Africa (primarily South Africa), although the very small numbers involved had only a minor impact on the overall distribution. The actual number of residents born in Southern and Eastern Europe (primarily Italy and Poland) fell between 2006 and 2011, possibly reflecting the ageing of this immigrant cohort (HVRF 2013b).

Table B.1 **Socio-demographic data Family and ethnicity indicators**

	Bulga SSC	Broke SSC	Singleton SSC	Singleton LGA	Maitland LGA	Cessnock LGA	Muswellbrook LGA	Upper Hunter Shire LGA	NSW
Household types 2011 (per cent of all households)									
Family households	94.5 per cent	79.0 per cent	66.6 per cent	76.7 per cent	76.1 per cent	73.6 per cent	71.1 per cent	69.8 per cent	71.9 per cent
Single (lone) person households	5.5 per cent	16.8 per cent	29.9 per cent	20.7 per cent	21.5 per cent	23.8 per cent	25.6 per cent	27.2 per cent	24.2 per cent
Group households	0 per cent	4.2 per cent	3.4 per cent	2.6 per cent	2.4 per cent	2.6 per cent	3.3 per cent	3.0 per cent	3.8 per cent
Family composition 2011 (per cent of persons in occupied private dwellings)									
Couple family without children	43.4 per cent	44.4 per cent	36.0 per cent	36.1 per cent	35.7 per cent	36.6 per cent	37.0 per cent	42.6 per cent	36.6 per cent
Couple family with children	44.3 per cent	46.2 per cent	43.3 per cent	49.3 per cent	46.1 per cent	41.8 per cent	44.7 per cent	42.5 per cent	45.5 per cent
One parent family	12.3 per cent	7.1 per cent	19.6 per cent	13.7 per cent	17.1 per cent	20.3 per cent	16.5 per cent	14.1 per cent	16.3 per cent
Other family	0.0 per cent	2.4 per cent	1.2 per cent	0.9 per cent	1.2 per cent	1.2 per cent	1.7 per cent	0.9 per cent	1.7 per cent
Top 3 countries of birth 2011 (per cent of population)									
	Australia 86.6 per cent	Australia 82.8 per cent	Australia 87.1 per cent	Australia 87.1 per cent	Australia 87.8 per cent	Australia 87.8 per cent	Australia 86.4 per cent	Australia 88.0 per cent	Australia 68.6 per cent
	New Zealand 3.1 per cent	England 3.0 per cent	New Zealand 2.4 per cent	New Zealand 2.2 per cent	England 2.0 per cent	England 2.0 per cent	England 1.6 per cent	England 1.7 per cent	England 3.3 per cent
	England 2.8 per cent	South Africa 0.8 per cent	England 1.8 per cent	England 1.8 per cent	New Zealand 1.0 per cent	New Zealand 1.0 per cent	New Zealand 1.4 per cent	New Zealand 1.5 per cent	China 2.3 per cent

Notes: The data table does not display 'inadequately described' or 'not stated' categories of Census data. Data sourced from: ABS Census, Community Profiles 2011.

B.2 Disadvantage

The Socio-Economic Index for Areas (SEIFA) provides a basis for comparison of the level of socio-economic advantage and disadvantage between LGAs. The SEIFA scores are calculated on the basis of Census data on key variables for all residents within an LGA; the LGAs are then RATED from the lowest to the highest score within the respective state and the nation, where the lowest score indicates the LGA with the greatest overall level of disadvantage for that Index. The SEIFA includes the Index of Relative Socio-Economic Disadvantage (IRSD) which comprises only disadvantage measures (eg low income), and the Index of Relative Socio-economic Advantage and Disadvantage (IRSAD), which includes both relative advantage (eg high incomes, levels of education) and disadvantage measures. A low score indicates relatively greater disadvantage and a lack of advantage in general (ABS 2011b).

The SEIFA rankings for LGAs in the assessment area are shown in Table B.2 for the 153 LGAs in NSW. Key trends include:

- Cessnock is one of the most disadvantaged LGAs in NSW. Although its rank improved marginally between 2006 and 2011, it remained well below that of all other LGAs and did not improve when both advantage and disadvantage measures are included.
- Maitland RATED above the median in 2006 and experienced a substantial improvement in its ranking between 2006 and 2011 on both indices. This indicates both a relatively lower level of disadvantage and a relative increase in the level of advantage.
- Singleton had the highest SEIFA scores of any of the LGAs in the assessment area, ranking among the top quarter of LGAs in NSW on both indices in 2011. While there was minimal change in ranking between 2006 and 2011, Singleton LGA measured an increased level of relative advantage, reflecting increased levels of personal and household incomes.
- Muswellbrook's ranking maintained a median level of both disadvantage and advantage within NSW, with a marginal improvement between 2006 and 2011.
- Upper Hunter Shire showed a substantial increase in its SEIFA rankings, particularly in terms of its relative level of advantage, which rose from well below to well above the median for NSW.

Table B.2 SEIFA rankings of advantage and disadvantage

LGA	Index of Relative Socio-Economic Disadvantage (rank out of 153 LGAs in NSW)		Index of Relative Socio-Economic Advantage and Disadvantage (rank out of 153 LGAs in NSW)	
	2011 rank	2006 rank	2011 rank	2006 rank
Cessnock	33	30	28	29
Maitland	106	99	107	98
Singleton	118	119	116	110
Muswellbrook	76	73	78	76
Upper Hunter Shire	94	81	86	69

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from: ABS Socio-economic Indexes for Areas 2006 and 2011. The lower the ranking, the greater the level of disadvantage based on SEIFA measures.

B.3 Crime

The NSW Bureau of Crime Statistics and Research (BOCSAR) collects data on the reported incidence (number and rate per 100,000 population) of major offences by LGA. The published data include LGA rankings in a similar way to the SEIFAs, where the LGA with the highest incidence (rate) of each offence is assigned the lowest rank.

The 2012 rankings are shown in Table B.3. The rankings indicate a relatively high rate of reported criminal activity across much of the assessment area, particularly in Cessnock. Rates of crime against property, particularly motor vehicle theft and stealing from motor vehicles, were among the highest in the state in Cessnock, Singleton and Muswellbrook LGAs. The rate of reported break and enters to dwellings also increased over most of the LGAs except Maitland. The rate of reported indecent assaults had also increased in Cessnock, and to a lesser extent Maitland.

The incidence of reported crime was generally lower in the Upper Hunter Shire when compared to the other LGAs, with the exception of sexual assault and break and enter offences. The Upper Hunter also experienced increases in break and enters and stealing from a vehicle. Incidents of violent crime in the assessment area were also lower than NSW averages. Across the assessment area there were improvements in rates of malicious damage to property (Cessnock, Singleton, Muswellbrook), assault (non-domestic) (Singleton and Cessnock), and stealing from a dwelling (Maitland).

Table B.3 BOCSAR LGA rankings

LGA	Cessnock		Maitland		Singleton		Muswellbrook		Upper Hunter	
	2012 rank	60 month trend	2012 rank	60 month trend	2012 rank	60 month trend	2012 rank	60 month trend	2012 rank	60 month trend
Assault-domestic	29	Stable	49	Stable	86	Stable	51	Stable	115	Stable
Assault-non-domestic	57	-5.4 per cent	67	Stable	97	-9.1 per cent	53	Stable	73	Stable
Sexual assault	46	Stable	57	Stable	79	NA	50	NA	35	NA
Indecent assault	NA	9.4 per cent	NA	0.8 per cent	NA	NA	NA	NA	NA	NA
Break & enter dwelling	29	4.3 per cent	55	Stable	61	9.6 per cent	11	17.2 per cent	46	21.4 per cent
Vehicle theft	3	Stable	30	Stable	4	Stable	19	Stable	100	NA
Steal from vehicle	11	11 per cent	20	Stable	13	Stable	4	22.6 per cent	58	30.6 per cent
Steal from dwelling	40	Stable	70	-12.1 per cent	46	Stable	31	Stable	90	Stable
Malicious damage	46	-4.0 per cent	40	Stable	68	-4.0 per cent	28	-7.0 per cent	74	Stable

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from: BOCSAR NSW Crime Statistics 2008-2012. Trend information has not been calculated if there were less than 20 incidents in any 12-month period. Data highlighted in orange indicates increased rates of crime over a 60-month period.

B.4 Volunteering and caring

Cessnock LGA had the lowest rate of volunteering (12.5 per cent) and the Upper Hunter Shire had the highest share of volunteers (22.9 per cent). This in part reflects the greater proportion of older residents in the Upper Hunter Shire and the greater propensity to volunteer amongst older persons and retirees (HVRF 2013b). Most of the LGAs had rates of volunteering above the NSW average, with the exception of the LGAs of Maitland (14.8 per cent) and Cessnock (12.5 per cent) (Table B.4). Bulga had the highest rate of all areas, with 23.3 per cent of those aged over 15 years undertaking voluntary work. Across all the LGAs, rates of volunteering were lower for males than females, in line with state-wide trends (HVRF 2013b).

The proportion of persons providing care for those needing assistance was higher than the NSW average (11.4 per cent) in Bulga SSC (13.3 per cent), Cessnock LGA (12.8 per cent) and Maitland LGA (12.4 per cent); however, the remaining areas were lower than the state average (Table B.4).

Table B.4 Unpaid work: volunteering and caring

Location	Proportion (per cent) who provided unpaid assistance to a person with a disability (last two weeks) 2011, persons aged 15 yrs and over	Proportion (per cent) who did voluntary work through an organisation or group (last 12 months) 2011, persons aged 15 yrs and over
Bulga SSC	13.3	23.3
Broke SSC	10.5	21.8
Singleton SSC	10.1	17.6
Cessnock LGA	12.8	12.5
Maitland LGA	12.4	14.8
Singleton LGA	10.8	19.0
Muswellbrook LGA	10.0	17.0
Upper Hunter Shire LGA	10.9	22.9
NSW	11.4	16.9

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from: ABS Census Community Profile 2011.

B.5 Perceptions of community amenity

Perception surveys conducted regularly by the HVRF⁷ (2013b) reveal a number of trends in the perceptions of key aspects of community life in the region, as summarised below:

- Social harmony in the local area was rated about the same across the five LGAs, between 2008 and 2013 surveys.
- Visual pleasantness also rated, on balance, as about the same across the five LGAs. The mean ratings mask significant differences, with Cessnock and Maitland residents rating it as somewhat better on balance, while perceptions in Singleton and Muswellbrook were polarised, with over 25per cent of respondents in both these mining-associated LGAs rating it as better and a slightly higher proportion rating it as worse.

⁷ HVRF conduct a regular 'point-in-time' interview (2008 and 2013) with a random selection of community members, stratified to ensure a minimum of 200 completed interviews within each of the five LGAs (Cessnock, Maitland, Singleton, Muswellbrook and Upper Hunter Shire). A bias is included in the programming of random respondent selection to ensure a sufficient number of younger adults, aged 18 to 40.

- Sense of community safety was perceived as worse on balance, significantly more so in Muswellbrook and Cessnock than the neighbouring LGAs, where over 50 per cent of respondents perceived deterioration in safety.
- Just over 60 per cent of respondents identified a positive change in the area compared with five years ago. The most positive changes identified over the last five years included: more/better shops - most frequently nominated in Singleton and Maitland, and significantly less often in Muswellbrook and Upper Hunter Shire LGAs; better services and/or facilities - most frequently nominated in Muswellbrook, and to a lesser extent Upper Hunter Shire and Singleton; the F3 link - most frequently nominated positive change in Cessnock; improvements related to housing - cited significantly more often in Maitland and Muswellbrook than in Singleton.
- More than 80 per cent of respondents were aware of some negative changes in their area. When compared with the identification of positive changes, this implies that perceptions of negative impacts outweighed perceptions of positive impacts within the community. Mining expansion was the most frequently cited negative change in the mining impacted areas.
- There was generally a high level of satisfaction with access to services and facilities, although this varied across LGAs: there was high satisfaction recorded for sport and recreation facilities across the LGAs, although less so in Cessnock; the level of satisfaction with activities and services for older people was second highest across these areas but significantly lower, and bordering on dissatisfied, in Muswellbrook LGA; there was moderate satisfaction with education and training opportunities for young people across all five LGAs.

B.6 Health services and facilities

The assessment area is part of the Hunter New England Local Health District (LHD) region of NSW Health and the Hunter Medicare Local region of Australian Medicare Local Alliance. The following NSW government health facilities, including three multipurpose services (MPS), provide services within the area (MPSs are jointly funded by the Commonwealth and NSW Health; HVRF 2013b):

- Rural referral hospitals: Maitland (Maitland LGA).
- District hospitals: Cessnock and Kurri Kurri hospitals (Cessnock LGA); Singleton hospital (Singleton LGA), Muswellbrook hospital (Muswellbrook LGA), Scone hospital (Upper Hunter Shire LGA).
- Community hospitals: Murrurundi (Upper Hunter Shire LGA).
- Multipurpose services (MPS): Denman and Muswellbrook MPS (Muswellbrook LGA), Merriwa (Upper Hunter Shire LGA) (HNELHD 2014).
- Mental health hospitals: there are none located in the assessment area, although inpatient mental health services are provided at Maitland Hospital. The nearest hospital and mental health services are in or surrounding Newcastle LGA.
- Private hospitals: Maitland Private Hospital (Maitland LGA).
- Residential aged care: is predominantly provided by the private sector, with a number of these facilities located in the assessment area.

- Community health services: Hunter New England Health (HNE Health) also provides a broad range of community health services, including but not limited to: audiometry, community nursing, child and family health nursing, counselling, carer support, dietetics, drug and alcohol, health promotion programs, hospital in the home, immunisation, mental health, occupational therapy, oral health, palliative care, physiotherapy, podiatry, psychology, rehabilitation, sexual assault, social work, speech therapy, women's health and youth health. These services are provided through a range of community health facilities across the HNELHD. In the assessment area, community health services are provided at community health centres in Maitland and East Maitland (Maitland LGA), Cessnock and Kurri Kurri (Cessnock LGA), Singleton (Singleton LGA), Muswellbrook and Denman (Muswellbrook LGA), and Scone, Merriwa and Murrumbidgee (Upper Hunter Shire LGA).

The relatively high number and extensive distribution of health services and facilities across the region is also reflected in GP access data. Almost nine out of 10 residents in the broader Hunter Medicare Local region (87.8 per cent) had a regular GP, with Cessnock (95.6 per cent) and Maitland (90.7 per cent) having a significantly greater proportion of the population with a regular GP compared to the Upper Hunter (74.2 per cent) and Muswellbrook (63.5 per cent) (Hunter Medicare Local 2012; HVRF 2013b). For the majority of residents in the region who have a regular GP (70.9 per cent), it takes less than 15 minutes to travel from their home to the GP practice. However, this was not the case in the Upper Hunter and Muswellbrook where many residents had to travel over an hour to a GP. Nearly a quarter of Hunter Medicare Local residents reported barriers to accessing a GP. The LGAs of Muswellbrook (38.7 per cent) and Upper Hunter Shire (39.2 per cent) both had rates above the assessment area average (29.4 per cent), and were significantly greater than in Cessnock (17.8 per cent). Of the residents reporting barriers to accessing GPs, the main barrier was the inability to get an appointment at the time required (Hunter Medicare Local 2012; HVRF 2013b).

Despite a universal public health system, roughly half of the adult Australian population also carries private health insurance, the main benefit of which is more timely access to medical services and hospital treatment (HVRF 2013b). However, the rate of private health cover is much lower in non-metropolitan areas as a result of a general lack of private health facilities, which means residents still need to travel to access specialist treatment (HVRF 2013b). In the assessment area, rates of private health cover are similar to the non-metropolitan NSW average (40.6 per 100 people) with the exception of Singleton that had a rate of 50.3 per 100 (see Table B.1).

Table B.5 Private health insurance

GA	Private health insurance, rate per 100, persons aged 15 yrs and over, 2007-08
Cessnock	37.7
Maitland	45.3
Singleton	50.3
Muswellbrook	39.6
Upper Hunter Shire	40.1
Non-metropolitan NSW	40.6

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from Social Health Atlas of Australia 2011. The Public Health Information Development Unit (PHIDU), University of Adelaide. Data is highlighted in orange where it indicates a possible health risk.

More broadly, the changing demographic profile of the region, reflected nationally in a growing and ageing population, will place significant and growing pressures on governments to meet new healthcare service and infrastructure requirements. This trend will enhance the already dominant health service sector in the region, now representing about 7.7 per cent of the regional economy and projected to expand around 8.4 per cent of the Hunter economy by 2036 (Deloitte Access Economics 2013).

B.7 Hospitalisations

All LGAs in the assessment area were generally characterised by above average rates of hospitalisation (see Table B.2). This may indicate a lack of primary healthcare services and a need for more health promotion work (HVRF 2013b). Singleton and the Upper Hunter Shire LGAs have significantly more hospitalisations per capita overall than the NSW average and all five LGAs also have a significantly higher proportion of potentially preventable hospitalisations than NSW (HVRF 2013b). Hospitalisations for preventable lifestyle diseases and risk factors are also of concern. All LGAs, except for Singleton, have a significantly higher proportion of hospitalisations for coronary heart disease and for diabetes, and all LGAs except for the Upper Hunter Shire have higher than state average rates of high body mass related hospitalisations. The most positive results were for alcohol-attributable hospitalisations, which was on par with the state average in Singleton and the Upper Hunter Shire and below the average in the remainder of the assessment area.

Table B.6 Hospitalisation indicators

LGA	Hospitalisations						
	Hospitalisations by LGA	Potentially preventable	Coronary heart disease	Diabetes*	Alcohol attributable	High body mass	Smoking related
Cessnock	0	++	++	++	--	++	++
Maitland	0	++	++	++	--	++	++
Singleton	++	++	0	0	0	++	+
Muswellbrook	0	++	++	++	-	++	++
Upper Hunter Shire	++	++	+	++	0	0	++

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from NSW Admitted Patient Data Collection and ABS population estimates (SAPHaRI). Centre for Epidemiology and Evidence, NSW Ministry of Health. Data is highlighted in orange where it indicates a possible health risk.

+ This indicates that the estimated LGA figure is significantly higher than the state average at the 1per cent level of significance.

++ This indicates that the estimated LGA figure is significantly higher than the state average at the 5per cent level of significance.

0 This indicates that the LGA figure is not significantly different to the state average.

- This indicates that the LGA figure is significantly lower than the state average at 5per cent level of significance.

-- This indicates that the LGA figure is significantly lower than the state average at the 1per cent level of significance.

* Includes Diabetes Type 1, type 2 and gestational diabetes.

B.8 Potentially avoidable deaths

Overall, the five LGAs reflect state averages with regards to smoking and alcohol-related deaths and all potentially avoidable deaths (except for Cessnock). However, Singleton, Muswellbrook and the Upper Hunter Shire have significantly more deaths attributable to being overweight or obese than NSW overall (see Table B.3; HVRF 2013b).

Table B.7 Potentially avoidable deaths

LGA	Potentially avoidable deaths	Alcohol attributable deaths	High body mass attributable deaths	Smoking attributable deaths
Cessnock	+	0	0	0
Maitland	0	0	0	0
Singleton	0	0	++	0
Muswellbrook	0	0	++	0
Upper Hunter Shire	0	0	++	0

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from ABS mortality data and population estimates (SAPHaRI). Centre for Epidemiology and Evidence, NSW Ministry of Health. Data is highlighted in orange where it indicates a possible health risk.

+ This indicates that the estimated LGA figure is significantly higher than the state average at the 1per cent level of significance.

++This indicates that the estimated LGA figure is significantly higher than the state average at the 5per cent level of significance.

0 This indicates that the LGA figure is not significantly different to the state average.

- This indicates that the LGA figure is significantly lower than the state average at 5per cent level of significance.

-- This indicates that the LGA figure is significantly lower than the state average at the 1per cent level of significance.

B.9 Other key causes of death

Cancer is now the largest cause of disease in Australia, recently surpassing cardiovascular disease (Cancer Institute NSW 2014). The most recent available data indicate that the overall cancer death rate was higher in Muswellbrook LGA (94.0 per 100,000 people) and lower in Singleton LGA (68.0 per 100,000 people) than in non-metropolitan NSW (82.4 per 100,000 people) (see Table B.8).

Table B.8 Cancer death rates

LGA	Average annual rate per 100,000 population, 15-64 years 2003-2007
Cessnock	83.1
Maitland	80.2
Singleton	68.0
Muswellbrook	94.0
Upper Hunter Shire	79.5
Non-metropolitan NSW	82.4

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from Social Health Atlas of Australia 2011. The Public Health Information Development Unit (PHIDU), University of Adelaide. Data is highlighted in orange where it indicates a possible health risk.

Deaths from **respiratory disease** are associated with a number of factors, including risk factors such as smoking, obesity and age. The most recent data (2003-2007) indicates that death rates from respiratory disease in the assessment area were lower than in non-metropolitan NSW (9.7 per 100,000 people), with the exception of Muswellbrook LGA which was slightly higher (10.0 per 100,000 people) (see Table B.9).

Table B.9 Respiratory disease death rates

LGA	Average annual rate per 100,000 population, 15-64 years 2003-2007
Cessnock	8.3
Maitland	8.9
Singleton	8.6
Muswellbrook	10.0
Upper Hunter Shire	NA
Non-metropolitan NSW	9.7

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from Social Health Atlas of Australia 2011. The Public Health Information Development Unit (PHIDU), University of Adelaide. Data for the Upper Hunter Shire LGA was not available. Data is highlighted in orange where it indicates a possible health risk.

The impacts of mining and coal dust on respiratory health of those living close to mining areas and coal transport corridors has been an issue of significant public, government and media concern (eg Higginbotham et al. 2010). The issue was discussed in detail in the report of the 2013 Australian Senate Committee of Enquiry into the 'impacts on health of air quality in Australia' (Commonwealth of Australia 2013), which made recommendations including, amongst others:

- buffer zones be used to protect populated areas from large point-source emitters;
- pollution monitoring should accurately capture population exposure for communities and homes proximate to pollution point sources;
- providing monitoring and real-time data of air quality be a condition of environmental approvals issued by the Australian Government unless an operator can demonstrate that air pollution created by the development will not impact upon human health;
- states and territories require industry to implement covers on all coal wagon fleets;
- the Commonwealth develop and implement a process for assessing cumulative impacts of coal mine developments that take into account other mines in the region and their impact on resident health; and
- health impact assessments be required as part of the assessment process for all new developments.

The most recent air quality and health study in the Hunter Region used general practice data relating to respiratory problem management or related prescriptions in the region between 1998-2010 (Merritt et al. 2013). The study found no evidence of significantly elevated respiratory issues for residents in the region when compared with the rest of rural NSW⁸. However, it was recommended that respiratory problem management over time be further explored as comparisons between 1998-2004 datasets on the management rates of respiratory problems with datasets for the period 2005–2010 demonstrated no significant change in the Hunter Region despite a significant decrease for the remainder of rural NSW over this period (Merritt et al. 2013). In addition, a recent review of emergency department data found higher rates for asthma and respiratory disease presentations in this region when compared with Sydney residents; however, higher rates were also noted for a number of rural communities with no potential mining or power generation exposures (NSW Health 2012).

Road traffic accident deaths are significantly higher in the assessment area than for the remainder of non-metropolitan NSW. There is no data available for Muswellbrook or Upper Hunter Shire LGAs; however, both Cessnock (10.5 deaths per 100,000 people) and Singleton (9.7 deaths per 100,000 people) have much higher rates than non-metropolitan NSW (7.6 deaths per 100,000 people) (see Table B.10).

Table B.10 Road traffic death rates

LGA	Average annual rate per 100,000 population, 0-74 years 2003-2007
Cessnock	10.5
Maitland	7.2
Singleton	9.7
Muswellbrook	NA
Upper Hunter Shire	NA
Non-metropolitan NSW	7.6

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from Social Health Atlas of Australia 2011. The Public Health Information Development Unit (PHIDU), University of Adelaide. Data is highlighted in orange where it indicates a possible health risk.

Overall, the median age at death for all five LGAs was broadly similar to non-metropolitan NSW with Muswellbrook LGA being the lowest at 77 years and Upper Hunter Shire the highest at 81 years (HVRF 2013b).

⁸It is important to note a number of limitations in the dataset and sample as detailed in the study, including: the limited size of the Hunter Region sample, the higher proportion of younger patients and fewer Health Care Card holders in the sample (although weighting was applied to account for these limitations), the lower rates of GP check-ups in the sample, and that the data relies on a sample of patient encounters from a sample of randomly selected GPs (in this sample, there were 18 GPs from 7 practices). Smoking was not considered to impact on these findings, as comparable rates of smoking were evident between the sample and the rest of rural NSW (Merritt et al. 2013).

B.10 Health status, health risk behaviours and mental health

Data relating to **maternal and child health** provides important indicators of the health and well-being of the population. For example, smoking during pregnancy is associated with a range of adverse health effects including low birth weight, which may affect the child's health later in life (HVRF 2013b). Data for the assessment area indicates that the two LGAs with the highest proportion of women who smoke during pregnancy, namely Cessnock (27.2 per cent) and Muswellbrook (23.7 per cent), also had the highest proportion of low birth weight babies (7.9 per cent and 8.2 per cent respectively) (see Table B.11). Of particular concern in the assessment area are the very high infant and child mortality rates in Cessnock and the Upper Hunter Shire, which are well above the non-metropolitan NSW average. On a positive note, immunisation rates in the LGA are high, with more than 9 in 10 children in each of the LGAs immunised, which is also similar to the rate for non-metropolitan NSW (HVRF 2013b).

Table B.11 Child and maternal health indicators

LGA	per cent low birth weight 2006-08	per cent smoking during pregnancy 2006-08	per cent children immunised at 12-15 months, 2008	Average annual infant death rate per 1,000 live births, 2003-07	Average annual child mortality rate under 5 years per 100,000, 2003-07
Cessnock	7.9	27.2	90.4	8.9	174.8
Maitland	6.1	17.5	92.5	4.9	98.1
Singleton	6.0	18.6	93.5	4.8	143.2
Muswellbrook	8.2	23.7	92.1	6.0	126.1
Upper Hunter Shire	7.1	19.4	90.9	8.2	178.2
Non-metropolitan NSW	6.5	22.0	91.6	5.9	123.0

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from Social Health Atlas of Australia 2011. The Public Health Information Development Unit (PHIDU), University of Adelaide. Data is highlighted in orange where it indicates a possible health risk.

Lifestyle risk factors include smoking, alcohol consumption, physical activity, fruit/vegetable intake and rates of obesity, which are all important indicators for chronic and acute illness, disease and death. The relevant statistics for the assessment area are summarised below:

- For physical activity, the national guidelines recommend less than 5 days of at least 30 minutes of moderate-intensity physical activity per week. Generally, over two thirds of residents in the assessment area did not meet this recommended level, particularly in Cessnock and the Upper Hunter Shire (Table B.8).
- Smoking is the single most preventable cause of poor health and mortality in Australia (HVRF 2013b). Cessnock had the highest rates of smoking, with the remainder of the LGAs similar to rates for non-metropolitan NSW average (Table B.8).
- Excessive alcohol consumption also has many adverse long-term effects on health. With the exception of Maitland, all of the LGAs in the assessment area have higher rates of risky alcohol consumption levels than the non-metropolitan NSW average, with the highest rates in the mining-associated areas of Singleton and Muswellbrook.
- The National Health and Medical Research Council (NHMRC) recommends at least two serves of fruit and five serves of vegetables per day (NHMRC 2006). Maitland, Singleton and Muswellbrook LGAs had consistently high rates of inadequate fruit and vegetable consumption, while Cessnock and the Upper Hunter showed high rates of inadequate fruit consumption only. Overall, the fruit and vegetable consumption in the assessment area is inadequate.

- Being overweight or obese are health concerns which affect increasing numbers of Australian adults and are a major contributor to the burden of disease and injury (AIHW 2012). Based on self-reported weight and height, the assessment area as a whole generally has higher proportions of people who are overweight or obese. These proportions are particularly high in Singleton and Cessnock. HVRF (2013B) reports that rates of overweight and obese individuals increase with age and are significantly associated with those with no post-school qualifications or certificate level qualifications.

Table B.12 Lifestyle risk factors

LGA	Physical inactivity, rate per 100 15 yrs and over, 2007-08	Smoking daily or occasionally, rate per 100, 18 yrs and over, 2007-08	High risk alcohol consumption, rate per 100, aged 18 yrs and over, 2007-08	per cent inadequate vegetable intake, 18 yrs and over, 2007-08 (less than 5 serves per day)	per cent inadequate fruit intake, 18 yrs and over, 2007-08 (less than 2 serves per day)	per cent overweight/obese, 18 yrs and over, 2007-08
Cessnock	40.2	25.5	8.3	85.9	58.5	67.2
Maitland	34.0	22.6	5.8	94.1	56.1	63.9
Singleton	33.4	21.5	9.2	92.0	52.8	67.3
Muswellbrook	35.2	23.4	9.3	93.7	55.6	66.3
Upper Hunter Shire	39.1	23.5	8.5	91.0	57.4	64.4
Non-metropolitan NSW	36.4	23	7.7	NA	NA	NA
NSW	NA	NA	NA	91.8	49.4	61.2

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from: Social Health Atlas of Australia 2011. The Public Health Information Development Unit (PHIDU), University of Adelaide. Data is highlighted in orange where it indicates a possible health risk.

Mental health is a key indicator of the health status of a population. Using a screening tool (the *K6 brief screening scale*), a study by Hunter Medicare Local found that almost 3per cent of Hunter residents had a K6 score that indicated high levels of psychological distress (HVRF 2013b). Almost one in every six (15 per cent) Hunter Medicare Local area residents reported that they needed to access mental health services within the last 12 months. The LGAs of Cessnock and Upper Hunter Shire had higher than average rates of access to mental health services (see Table B.9). Of the Hunter Region residents who needed to access mental health services, 20.3per cent reported barriers to accessing services, which were highest in Singleton (47.1 per cent) and Maitland (35.7 per cent). The most frequently reported barriers to services were: inability to get to an appointment at the time that suited the person, the cost of services, and services not being available in the local area (HVRF 2013b). The most frequently accessed service in the assessment area was: psychologists (39.0 per cent); general practitioners (32.6 per cent); psychiatrists (12.6 per cent); counsellors (6.8 per cent); community mental health teams (2.4 per cent). The reliance on GPs for mental health services remains quite high in the assessment area, and particularly high in the Upper Hunter Shire and Cessnock, indicating a traditional reliance on GPs but also a lack of allied health services in these LGAs (HVRF 2013b).

Table B.13 **Mental health indicators**

LGA	Proportion (per cent) of people needing access to mental health services, aged 18 yrs and over	Proportion (per cent) of people needing access to mental health services reporting barriers to accessing services, aged 18 yrs and over
Cessnock	20.1	17.9
Maitland	14.9	35.7
Singleton	12.3	47.1
Muswellbrook	12.8	26.9
Upper Hunter Shire	16.1	19.5
Hunter Medicare Local region	15.0	20.3

Notes: Adapted from HVRF (2013b) Hunter Valley Socio-economic Baseline. Data sourced from: Hunter Medicare Local (2012) Health Needs Analysis of Hunter Residents. Data is highlighted in orange where it indicates a possible health risk.

Self-reported health status is another useful indicator of the health and well-being of the population. The HVRF conduct a survey known as 'Well-being Watch', which assesses the self-reported health of residents of the Hunter Region (HVRF 2013d). In 2012, approximately 60 per cent of the adult population in the region reported being in good to very good health, and a further 18 per cent reported excellent health (HVRF 2013d). Just 16 per cent of residents reported fair health and a further 5 per cent indicated poor health. This suggests that approximately four out of five Hunter residents were in good to excellent health in 2012. There has been no significant change in health status over time (since 2006). Age is one of the most significant indicators of self-reported health, with the proportion of Hunter residents experiencing good to excellent health decreasing with age (HVRF 2013d).

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