

Director – Resource Assessments
Planning Services
Department of Planning & Environment
GPO Box 39
Sydney NSW 2001



21 September 2016

Dear Director,

The economic impact on the Gloucester tourism industry by these two projects:

- **Rocky Hill Coal Project - Application No. SSD 5156**
- **Stratford Coal Extension Project - No. SSD 4966 MOD1**

I represent a group of tourism operators in the Gloucester region who conduct their business within the same valley as the proposed Rocky Hill open-cut coal mine. **We object most strongly** to both the Rocky Hill Project and the Stratford Coal Extension Project for the reasons set out below.

There is a long list of reasons why Gloucester Resources Ltd should be refused a mining licence and for the Rocky Hill Project to be rejected. Importantly, there's an overwhelming economic case against Rocky Hill: that the operations of a short-term unsustainable sector of our local economy should not put at risk the entire economic contributions of a long-term sustainable sector operating within the same valley.

About Gloucester and its brand

In marketing terms Gloucester has an unbeatable brand positioning of being the closest town to Barrington Tops (our tourism slogan is 'Basecamp for Barrington Tops'). This unique selling proposition is immensely strengthened by the World Heritage listing of this national park. On top of this world-recognised accolade, the **Vale of Gloucester** was first listed by the National Trust in 1976 as a declared Significant Heritage Landscape. Our logo is the platypus, which represents healthy rivers and healthy river catchments. Our Brand Values are listed on the last page of this submission.

So tourism in Gloucester is inextricably linked to the scenic beauty of peaceful rural valleys and forested mountain tops, and to World Heritage nature for adventure and wellbeing. Gloucester's scenic beauty is not an unsubstantiated claim, rather it's an essential part of Gloucester's brand.

Gloucester Tourism's economic contribution

Tourism is one of the critical economic drivers for the Gloucester region, specifically listed in our (pre-amalgamated) council's Community Strategic Plan as a key opportunity for the next 10 years in achieving long-term financial sustainability for our region.¹ Proof is in the independent research data from Tourism Research Australia published annually by Destination NSW that shows our Visitor Economy is worth **\$51 million each year** for the Gloucester local government area². Over the same 21 year life of the Rocky Hill open-cut coal mine, that's a \$1,071 million contribution. Yes, \$1.07 billion. And all of it is earned, retained and churned back into the local economy each and every year by small scale tourism operators who create jobs for 241 people in the local industry.³

¹ Gloucester Shire Council Community Strategic Plan 2012-2022: Direction Three: Creating a strong economy, pp 39-41. Gloucester Council was forcibly amalgamated in May 2016 with Greater Taree and Great Lakes councils to form MidCoast Council. MidCoast Council is still sorting out its management structure and has not yet commenced a new combined Community Strategic Plan for the amalgamated region.

² Destination NSW: Travel to Gloucester Local Government Area, 4 year average annual to Sep 2014
<http://www.destinationnsw.com.au/tourism/facts-and-figures/local-area-profiles>

³ Results of survey into Employment in the Gloucester Tourism Industry, by Gloucester Visitor Information Centre, Oct 2012

Meanwhile the Rocky Hill EIS claims the local economic benefits of their open-cut coal mine will be \$864 million over the operating life of the mine⁴ which is of course unsubstantiated and grossly overstated according to other economists. But even if it were true, does this amount justify putting at risk the \$1.07 billion generated by another sector over the same time horizon? *Tourism Advancing Gloucester* believes no it doesn't, definitely not.

Rocky Hill ignores Gloucester tourism but says it's working with it

Rocky Hill's huge stack of Environmental Impact Statement reports is more than 300,000 words about the benefits of its coal mine but they include just one short paragraph with just 3 relevant sentences about the impact on Gloucester's tourism industry⁵! Two of these simply state and then restate "no affects". So in all those 300,000 words there's just one small sentence which mentions - and then immediately dismisses - any impacts to "visual amenity". There's no mention of the promised 2,520 mine blasts, the constant heavy machinery noise 6 days per week from 7am to 10pm, the light pollution at night, the risks to the waterways, the heavy traffic movements nor the constant dust. All these things will affect Gloucester's \$51 million tourism industry. No wonder Rocky Hill has chosen to omit the value of Gloucester tourism from its Environmental Impact Statement.

Even more surprising is the concurrent claim made by Rocky Hill in their marketing and newspaper advertisements⁶ that "they are working closely with Gloucester tourism". That is just an outright lie to the Gloucester community. Rocky Hill has never approached the Gloucester Tourism Manager to discuss their open-cut mining proposal and they have never approached *Tourism Advancing Gloucester* either. If Rocky Hill is spinning such lies to the community about something that can be easily disproven, one wonders what other lies they have cooked into their proposal.

...Well actually, here's another one:

Rocky Hill makes a big noise about the high fluidity coking coal that's their stated sole purpose for this mine. Their Community Newsletter⁷ states "more than 95% of the coal will be high fluidity coking coal". However their EIS Project Summary⁸ states the "total resource is 21 million tonnes Run Of Mine coal of which 12.5 million tonnes will be high fluidity coking coal". That's just 59% of the total coal they state will be removed by their six seam pits.

When did 59 become 95? Maybe it's just a typo? Maybe it's the "Miracle of Rocky Hill"? Regardless, it's more spin for the Gloucester community. More lies. More untrustworthiness from Rocky Hill.

...And more:

Rocky Hill has convinced some businesses in Gloucester that the financial benefits of the coal mine will flow to them, while their Community Newsletter spruiks "direct benefits to the local area" and the "financial boost to the local economy". However Rocky Hill's Local Effects Analysis⁹ reveals they have defined the "local area" to be the SA3 regional statistical area of Gloucester-Taree with a population of 51,000. This includes the communities of Wingham, Taree, Coopernook, Harrington and Old Bar. So all those "local benefits" promised by Rocky Hill will be spread across a much larger region and population than they are telling the people of Gloucester. This also means that mine employees living 84km away by the beach at Old Bar will still be classified as "local employees" without having to move to Gloucester, shop in Gloucester, send their kids to school in Gloucester or even care about Gloucester.

⁴ Rocky Hill Project EIS – Executive Summary, p26: \$48m operational costs plus \$6m payroll costs over 16 years.

⁵ Rocky Hill EIS - Section 15 Economic Assessment, p61: Effects on other local industries.

⁶ Gloucester Advocate advertisement 10 Aug 2016, p6; Rocky Hill Community Newsletter Sep 2016, p6.

⁷ Rocky Hill Community Newsletter Sep 2016, p3.

⁸ Rocky Hill EIS - Amended Project Summary, p1 (ES p29)

⁹ Rocky Hill EIS - Section 15 Economic Assessment, p53: Local Effect Analysis.

Choosing the SA3 regional statistical area of Gloucester-Taree instead of the smaller SA2 area for Gloucester alone demonstrates Rocky Hill's cynical approach to stretching the truth of "local" to Gloucester locals. More untrustworthiness from Rocky Hill.

These are just a few examples of false or misleading claims by Rocky Hill which show that Gloucester Resources Ltd cannot be trusted. They are unfit to hold a mining licence. They are unfit to become an accepted corporate citizen of Gloucester. And if they can't be trusted then Rocky Hill will never have social licence in Gloucester. But let me return to my main theme:

The risks to Gloucester's \$51 million visitor economy arise from the following issues:

1. Water security issues

Mining companies are currently hiding behind the words of "We comply with all Government requirements". Unfortunately those requirements are usually lame and tame. *Tourism Advancing Gloucester* believes that pristine rivers and aquifers are an essential component of Gloucester's brand. The activities of the Rocky Hill open-cut coal mine threatens this key component, and so threatens our businesses.

Dried-up streams from disappearing aquifers and murky mining discharge in our pristine rivers will sink Gloucester tourism faster than a mid-river rock.

2. Air quality issues

There are already many studies on the effects of poor air quality on the health of the most vulnerable community members - children and seniors - of any community located close to mining operations. No-one would dispute the right to enjoy fresh, clean air, especially when located so close to world heritage listed national parks, forests and conservation areas. *Tourism Advancing Gloucester* believes that poor air quality issues arising from the Rocky Hill open-cut coal mine threatens this key component of Gloucester's brand, and so threatens our businesses.

Dusty air filled with particulates will impact on our visitor's peaceful enjoyment of the region, with immediate knock-on effect against visitor satisfaction, against word-of-mouth recommendations, against visitor numbers and against the economic contribution of tourism to Gloucester. Visitors from bustling cities and towns come to our region for the fresh air, clean rivers and emerald green scenery they believe can be found year-round in Gloucester.

Dry coughs, dusty skin and gritty eyes hardly make for an enjoyable holiday, so every dusty particle inhaled will be echoed by the sound of Gloucester tourism choking.

3. Noise impact issues

Throughout their marketing material¹⁰ Rocky Hill states "NO night-time mining operations" (their use of upper case) yet a few paragraphs later they mention mining from Year 4 onwards: Monday to Saturday until 10.00pm. It's an unbelievable stretch of reality to state that up to 10.00pm is considered "day-time". Clearly no-one in Rocky Hill has kids or family members who go to bed earlier than 10.00pm. And clearly no-one in Rocky Hill has ever experienced winter in Gloucester where it's fully dark - night-time - at 5.00pm. Either way, no-one will be able to get to sleep until after 10.00pm in Gloucester no matter what age or working hours they keep. That's a gross assault on the physical and mental health of Gloucester's community.

¹⁰ Community Newsletter Sep 2016 p1

Rocky Hill is proposing a three year “introductory noise holiday” of restricting heavy mining activity to six days a week, Monday to Saturday 7am to 6pm, to be extended in Year 4 to 10.00pm. Surely no sensible assessor nor anyone else with a conscience could consider this as giving respite or respect to the Gloucester community. Apparently everybody who objects to the almost constant barrage will have moved out by Year 3 and all those remaining will be compliant, either deaf or working for the mine. Divide and conquer. This is a shameful way to infiltrate a community. All it will do is destroy it.

Rocky Hill is also proposing noise mitigation mounds. It is an extraordinary failure to think these earth mounds will be effective in Gloucester’s short and narrow valley. Gloucester is not located in the flat terrain of broad plains found in mines surrounding Mudgee and Gunnedah in western NSW. Gloucester sits within a narrow bowl with high-sided forested ridges. The width of Gloucester’s valley across the Rocky Hill mining zone is just 8km from western ridge to eastern ridge.¹¹ Let’s compare that to the Hunter Valley which is 76km wide in an east-west line running through the mining town of Singleton¹² or 81km wide in another line running through the mining town of Muswellbrook.¹³ On Gloucester’s quiet rural land, any noise travels easily and the steep-sided valley amplifies and projects the sounds of heavy machinery to the far corners of the valley and beyond. The Gloucester valley acts like a hi-fi stereo speaker, so Rocky Hill’s proposed earth mounds will not mitigate the noise impacts at all.

Tourism Advancing Gloucester believes that the noise impact from the Rocky Hill open-cut coal mine will be detrimental to Gloucester’s brand. Noise will impact on our visitor’s peaceful enjoyment of the region, with immediate knock-on effect against visitor satisfaction, against word-of-mouth recommendations, against visitor numbers and against the economic contribution of tourism to Gloucester.

The soothing peace and quiet of our region is what draws visitors and is an essential component of our brand. The constant rumbling of heavy mining machinery is not conducive to a relaxed holiday, so every decibel heard is a scream against Gloucester tourism.

4. Visual impact issues

You’d think that this is a no-brainer: an open-cut coal mine in a scenic narrow valley, on land zoned Environmental and Scenic Protection. So what’s Rocky Hill’s solution to ruining the view? Build some earth mounds and plant a screen of trees from (some) vantage points to hide the spoiled view! Hide it eventually that is, because for the next 21 years we’ve been asked to get used to the interim ugliness.

And how do you hide the view of all that new ugliness from the most popular lookout on the main eastern approach to Gloucester from Taree, at the Mograni Lookout? (See image below) You simply can’t.



Tourism Advancing Gloucester believes that the visual impact from the Rocky Hill open-cut coal mine will not be mitigated by their earthen mounds and so the mining activities will be detrimental to Gloucester’s brand. The tree screens already planted by Rocky Hill along parts of the Bucketts Way South are just a further insult to residents and visitors.

¹¹ 8.3km from the Bald Knob rock formation on the Bucketts Mountains on the western side of the valley, across the Forbesdale residential estate to the actual Rocky Hill rock formation in the Mograni Range on the eastern side of the valley.

¹² 75.9km from the western village of Bulga to the eastern village of Chichester near Barrington Tops.

¹³ 81.1km from Mount Dangar near the western town of Sandy Hollow to Mount Royal National Park in the east.

How close is too close?

The Rocky Hill mine site will be 0.9km from the backyards of Gloucester residents in the Forbesdale estate and just 5km from the centre of Gloucester. That is simply too close. Gloucester Resources Limited are on record as having stated: "We shall mine as close to Gloucester as we are allowed."

To find some perspective, below are some examples of what 0.9km looks like elsewhere in Gloucester. 0.9km is a short pleasant stroll in our town but it won't be pleasant in the Forbesdale estate if Rocky Hill proceeds. In fact if a coal mine was proposed to be next to any of the Gloucester examples shown below, it would rightfully be howled down. So why should Rocky Hill coal mine be allowed to be just 0.9km from Gloucester backyards?

Tourism Advancing Gloucester believes 0.9km is too close to Gloucester homes and their residents. We believe that 5km from the centre of town is too close. And we also believe that an open-cut coal mine operating a high-sided valley just 8km wide is too close to every human, plant and animal within it.

Examples of 0.9km elsewhere in Gloucester:



The high-probability risk

Rocky Hill EIS states the total net benefits to the state of NSW over the life of the mine is \$89.5million¹⁴. As discussed earlier, Gloucester tourism is worth \$1.07 billion over the same time horizon. So if Gloucester's tourism industry is impacted by just as little as 10% then all the claimed benefits of Rocky Hill coal mine to the state of NSW will be negated. That's a high-probability outcome.

Our plea

Tourism Advancing Gloucester believes that the true indicator of economic value to our region is from sustainable, long-term contributions to the Gloucester economy. Mining is not sustainable in any sense of the word. What will happen to Gloucester in 21 years when the Rocky Hill open-cut coal mine has finished its extractions and all that remains is a one-industry town justifiably worried about its future?

There are already enough mining towns across the country whose existence is in jeopardy due to end of the so-called mining boom.¹⁵ No doubt their local mines were all hailed by their respective business chambers as their town's saviour but it seems all those pro-miners don't understand the definition of sustainable and now those towns are cactus. Gloucester has been bailed out previously when the timber and dairy industries were deregulated. We don't want to go down that path of governmental assistance again. We'd rather be strong, sustainable and prosperous on our own terms, without mining. We are already well on our way with a strong, sustainable tourism industry based on nature and wellbeing.

Grounds for refusal:

- It is too close to our community: 0.9km is just too close.
- It is too risky for our community's physical health and mental health.
- It is too threatening to our tourism industry which provides a sustainable economic contribution of \$51 million each year, into perpetuity.
- Gloucester Resources Ltd is unfit to hold a mining licence due to false and misleading statements made in their newspaper advertisements and in their Community Newsletter marketing material: outright lies, truth stretching and glaring omissions.
- Gloucester Resources Ltd has failed to address the unique topography of the 8km-wide Gloucester valley which acts like a stereo speaker and amplifies heavy industrial noise to the far ends of the valley and beyond, so their short earth mounds won't mitigate anything.
- Gloucester Resources Ltd has not properly addressed the negative impacts that Rocky Hill coal mine will have on the Gloucester tourism industry, their assessment is just one lousy paragraph. There's no mention of the promised 2,520 mine blasts, the constant heavy machinery noise 6 days per week from 7am to 10pm, the light pollution at night, the risks to the waterways, the heavy traffic movements nor the constant dust.... All of which will affect Gloucester's \$51 million tourism industry.

¹⁴ Rocky Hill EIS, Section 15 Economic Assessment, p7.

¹⁵ Mining towns dying a slow death www.theaustralian.com.au/.../mining-towns-dying.../story-fnay3ubk-1226948339733 Jun 9, 2014; From boom to bust in Australia's mining towns www.bbc.com/news/world-australia-30584123 Jan 4, 2015; Mining downturn: Residents fleeing, leaving virtual ghost towns behind www.news.com.au/.../mining/...mining-towns.../16bd7b2034125a7c2fde482ea5b635 Aug 22, 2015; Live by the mine, die by the mine www.abc.net.au/news/2016-02-24/how-does-nickel-town...mining.../7194332 Feb 23, 2016.

Consequences of Rocky Hill coal mine proceeding:

- It will destroy productive farmlands, ruin our pristine rivers and provide 21 years of noise, dust, visual impacts, community health problems, mental health problems, destroyed lives and broken tourism businesses.
- Rocky Hill will poke the eye out of Gloucester's scenic beauty and change forever the scenic rural perception of the region.
- It will break the Gloucester brand and deliver a dead tourism industry.
- Even a small impact against Gloucester tourism of just 10% (=\$107m.) will completely negate the total net benefits (=\$89m) to the state of NSW claimed by GRL over the life of the mine.
- It is a dead-weight against Gloucester's sustainable future, forcing Gloucester to continue clinging to an industry in structural decline all around the globe, for another 21 years. We don't want the dubious honour of hosting the last mine standing. Gloucester is so much better than that.

I have made no reportable political donations.

Sincerely,

Thomas Davey

Thomas Davey
Chair, **Tourism Advancing Gloucester**
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Gloucester's Brand Values

(compiled by members of Tourism Advancing Gloucester Aug 2011 and updated Aug 2015)

1. A remarkable setting at the foot of the Buccan Buccans (the Bucketts Mountains)
2. Easily accessed by road and by rail, in a location handy to major centres
3. Thriving rural heritage with a strong sense of community
4. A comprehensive range of shopping options on a relaxed main street
5. Cafes, wineries, pubs and clubs for all tastes and all seasons
6. Extensive accommodation choices for any budget
7. Impressive sporting facilities for all skills and abilities
8. World heritage nature nearby for adventure and wellbeing
9. Pristine rivers for swimming, paddling and platypus habitat
10. Beautiful and productive farmlands providing food for the state
11. Scenic drives that will change your outlook and maybe your life
12. An emerald-green network of national parks, forests and conservation areas
13. A year-long agenda of unique and entertaining events
14. A farmers market that inspires other markets
15. A wonderful place to live, work and play.