

6th June 2017

Personal Submission: Support of Hume Coal Project and Berrima Rail Projects in the Southern Highlands (Wingecarribee LGA)

I, Terry Oakes-Ash OAM, FAICD, FIQ wish to express my full support for both the Hume Coal Project and the Berrima Rail Projects, located in the Wingecarribee Shire in the Southern Highlands.

I am a Board Member of RDASI, BEC Southern Region and Interchange Australia, Chairman of Youth Radio 92.5FM and Hume Coal Charitable Foundation and Former President of CIIA (lifetime connected with the Construction Materials Industry including quarrying and open cut mining for minerals).

In my opinion, after studying the EIS and other information provided on the project, the positive benefits of both projects for approval far outweigh any environmental or perceived impacts.

The ten-page Social Impact Statement is both a fair and reasonable assessment and the environmental impacts, particularly on water, are either negligible or insignificant when mitigation measures, integral to the project design, are considered in a scientific and measured way.

Hume Coal will, I understand, be required to appoint a Community Consultancy Committee to represent the community and that it will be independently chaired.

Hume Coal, through its Charitable Foundation, has supported a range of community groups and sporting organisations. The approval of the Hume Coal and Berrima Rail projects will ensure continuing support in an area requiring additional resources for charitable activities to meet the social needs of young and old alike.

Hume Coal has made a considerable investment in funding apprentices in areas not directly connected with mining, to provide employment opportunities for local people. Hume Coal is one of the very few organisations locally to invest in the support of apprentices for young people living in the Wingecarribee Shire.

More recently, Hume Coal has commenced a programme of offering scholarships to local students in STEM subjects to overcome a local skills gap for engineers and technical occupations in the region where quarrying, cement production, mining equipment manufacturing are the largest local private employers.

The Hume Coal and Berrima Rail projects will employ 400 people in construction and 300 full time positions during operation. The approval of the projects will be a major local economic driver and will rank Hume Coal in the top two private employers in the area.

I would recommend that Hume Coal improves the efficiency of the mine through comprehensive environmental monitoring. Armed with accurate and timely data, mine management will be in a much better position to make corrective action before any issues arise.

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Modern mining does not rely on 'gut instinct', but timely scientific analysis of extensive monitoring of the key environmental factors to ensure accurate and timely understandings for management of any potential issues affecting the environment.

My support is also based on a proper understanding of the economic benefits of the project that are not properly outlined in the EIS as assessed in accordance with the NSW Cost Benefit Analysis Guideline. For example, the NPV royalty stream is \$114 million but the real cash component is \$266 million paid over the life of the project. NPV assessment is misunderstood by most in the community and understates the real benefits of projects such as those proposed by Hume Coal.

Combined cash payments to the NSW government from royalties and payroll taxes amount to an average \$16 million each and every year of the mine life. If the projects are not approved then this revenue is foregone and must be sourced from other taxpayers in NSW to meet community services.

In a typical year, the project(s) will generate total operating expenditure of \$139 million per year - \$16 million in royalties and payroll taxes, \$33 million is wages and \$90 million in other expenditure such as contractors, goods and services. Much of this will be spent locally.

I urge the Department of Planning to recommend approval of the Hume Coal and Berrima Rail projects to the Planning Assessment Commission for its positive determination.

I am satisfied the projects as designed can be managed to minimise any environmental impacts to ensure the benefits of extracting coal, owned by the people of NSW, are returned to NSW people through jobs and government spending on critical services.

Terry Oakes-Ash OAM