

I have lived in the Southern Highlands for longer than 30 years over which time I have seen the agricultural sector prosper with the viticultural sector in particular becoming established and growing into a major industry in the region. I have seen the population of the Southern Highlands expand to become more than a popular retirement area but also home to increasing numbers of young families who are taking advantage of affordable housing, excellent educational facilities and the clean environment. The Southern Highlands contributes to the general economy through a booming tourism industry therefore as a regional area, all things considered, the Southern Highlands punches above its weight!

Why, one asks, is the NSW government prepared to allow a Korean steel-making company<sup>1</sup> to jeopardise the Southern Highlands' critical water, air and clean environment for dubious financial returns to the government, the local area and even the company itself? From my personal experience over eleven years in the Southern Highlands the security of the ground water and therefore agriculture in this region has been under regular threat. In 2006 the government considered redirecting ground water to drought-proof Sydney<sup>2</sup> and now pipes water to Goulburn. The Hume Coal Project is the newest threat at a time when the region needs certainty on ground water security. It appears the government regards our ground water as an inexhaustible expendable resource while failing to factor in its significance to the agricultural future of this region.

Before even considering the destructive effects of water loss and contamination, removal of trees and native habitat, noise, air pollution, effects on mental health and well being of those directly associated with the mining project, aboriginal heritage etc. it is necessary to ask why a new coal mine is being considered at all when this source of energy is being rapidly superseded by renewable energy sources. Coal is rapidly becoming a 'has been' resource therefore it is fatuous to consider that a demand will exist in 23 years, the proposed life of the mine, for the poor quality metallurgical and thermal coals Hume Coal will mine that even now are regarded as not economically viable.

Given the strong likelihood that the 23 year life of the Hume Coal Project, were it to be approved, would be shortened, Hume Coal has given itself an escape (ES4.12 elaborated in Chapter 17 appendix O, p.8/90) with respect to final rehabilitation of the site. This will be devised within five years of when closure begins (if this can be determined). Hume Coal therefore doesn't have a current plan for reclamation of the mining site that may well join the many abandoned mine sites that litter Australia where companies have failed, become bankrupt leaving destroyed environments for others to remediate. The EIS\_VI\_4, 2/28 refers to historical mining and abandoned mines in the Southern Highlands e.g. the Loch Catherine mine that remains an environmental hazard.

A further consideration over the 23 years life of the mine with state governments and economic circumstances changing regularly is where responsibility will lie for the monitoring of Hume Coal/POSCO's performance with respect to its EIS? Recent media reports suggest that POSCO is an unreliable company with a bad record for corruption and bad business practices, human rights

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<sup>1</sup> Hume Coal is a wholly owned subsidiary of POSCO which is a multi-national South Korean steel making company

<sup>2</sup> Upper Nepean (Kangaloon) Borefield Project. I was community representative on the Upper Nepean (Kangaloon) Groundwater Community Reference Group

violations in Pakistan, Uzbekistan, New Guinea and in South Korea and therefore cannot be relied upon for self-reporting.

Returning to the issue of groundwater usage Hume Coal acknowledges it will need to obtain more water licences than it currently holds. There is no clarity on where Hume Coal will source this additional water other than from mine voids and through market trading<sup>3</sup>. This suggests that there will not be enough water to meet the mine's needs in a dry period when neighbours already afflicted with drawdowns, and the environment will also be drawing on ground and surface water. It is appalling that no fewer than 71 property owners with 93 bores will experience significant drawdown of borewater through the lowering of ground water by the mine's operations, recovery from which could take 36 years!<sup>4</sup> These landowners are promised compensation but if the mine for any reason becomes unviable and closes they will be left high and dry to deal with destroyed livelihoods.

The EIS can be attacked on many grounds, most particularly how much ground water Hume Coal will use, how it will deal with waste and fill to minimise environmental impacts, uncertainty re definitive markets, issues of accountability etc. Shortcomings in the EIS could be sufficient grounds for rejecting the Project. There is however no need to argue beyond the point that the lack of viability of coal, particularly the low quality coal this mine will produce, in a world that is turning its back on coal in favour of renewable clean sources of energy is sufficient reason for POSCO's Hume Coal Project to be rejected outright.

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<sup>3</sup> ES4.1.3

<sup>4</sup> ES4.1.2