

## Submission re Hume Coal Project – Application Number: SSD 15\_7172

The Hume Coal Project (HCP) should be refused as the economic and social data provided in the EIS is out of date and therefore does not reflect the latest demographic and housing trends of the Southern Highlands (SH).

As a consequence, and combined with other negative impacts, the project will adversely affect the SH economy.

Support for this argument is detailed below:

### Demographics

The following table shows the changes in population and median age since 2006 for the Southern Highlands SA3 area which is closely aligned to the Wingecarribee LGA (ref ABS census):

Area	Population					Median Age				
	2006	2011	% change	2016	% change	2006	2011	% change	2016	% change
Southern Highlands (SA3)	41,850	44,386	6	47,869	8	42	45	7	47	4
Bowral (SA2)	11,498	12,151	6	12,949	7	46	50	9	54	8
Mittagong (SA2)	7,707	8,104	5	8,999	11	41	43	5	45	5
Moss Vale / Berrima (SA2)	7,843	8,935	14	9,797	10	39	42	8	43	2
Hill Top / Colo Vale (SA2)	4,646	5,673	22	6,025	6	33	36	9	37	3
Southern Highlands (SA2)	6,381	6,148	-4	6,589	7	44	49	11	52	6
Robertson / Fitzroy Falls (SA2)	3,776	3,373	-11	3,506	4	43	45	5	47	4

The EIS estimated the population of the Wingecarribee LGA at 47,584 in 2014, an increase of 9.8% over 10 years (Main Report 5.3.3). The latest figures from the 2016 census shown in the table above tend to confirm that this estimate of the total population is reasonably accurate. HOWEVER, the EIS forecast population growth for the area between 2016 and 2021 of 1,400 (Appendix R – 3.5) is not realistic based on the above figures.

The EIS does not take into account the rapidly increasing rate of population growth over the last 10 years – up from 6% between 2006 and 2011 to 8% between 2011 and 2016. This is likely to continue as more retirees move out of Sydney and workers relocate to the SH as it is only one hours easy drive to the south west area of Sydney where the new Badgerys Creek Airport and associated infrastructure will provide many, many jobs that local SH people can easily travel to. Based on this trend, approximately 5,000 people, not 1,400, will be added to the SH between 2016 and 2021; and 20,000 people over the next 20 years, the life of the Hume Coal Project; AND that is before we add any impact from the project which could be another 700 odd people (300 workers and their families).

In addition, the Median Age in the SH is also increasing very quickly from 42 in 2006 to 47 in 2016 – much higher than the Australian Median Age of 38. This will affect Hume Coal's ability to fill positions locally. The EIS states that "the principal social consequences of the project's operations

phase will be the creation of 300 long-term employment positions, most of which will be filled by locals” (ES 4.15). However, even the EIS is very vague in a number of areas as to how accurate the split of the 300 employees between locals and outsiders will be. Given the ageing SH population shown above it is unlikely that Hume will obtain anywhere the number of local workers they estimate. The EIS states that “the project workforce will display a similar age structure to that of the mining industry across Australia” (Appendix R – A.3.1) which it states is 25-44. Therefore Hume will have to rely on more workers from surrounding areas within the 45 minute driving limitation; OR bring in more workers from further afield that will either rent for their shift periods and then travel home for their days off; OR, if the workers see a benefit AND can afford to buy (refer below), move into the SH area.

### **The bottom line:**

The already increasing population and age demographics will place enormous pressure on services, such as hospital, medical, and emergency, that are already starting to stretch.

Adding more people via the Hume Coal Project will only exacerbate the problem.

### **Housing**

The EIS states in Appendix R (3.4.4) that housing needs to be available at prices mine workers can afford. It states that in the three largest towns in the SH, the median sale price was \$670,000 in Bowral, \$518,000 in Mittagong, and \$455,000 in Moss Vale. However these prices are 2 years old! Prices have increased dramatically since that time as shown in the table below:

Area (all under 2 hrs from Sydney)	2011	2014	% increase	2017	% increase
Bowral	565,000	613,000	8%	904,000	47%
Mittagong	417,000	466,000	12%	707,000	52%
Moss Vale	370,000	409,000	11%	637,000	56%

Median house prices in the SH since 2011 (ref Real Estate.com.au, Domain.com.au, Residex.com.au)

These prices show that Bowral is now 35% dearer, Mittagong is 36% dearer, and Moss Vale is 40% dearer than the EIS states! This is a major difference.

My wife and I have personal experience in this area – we started looking to retire out of Sydney to Bowral in 2015. We had planned to wait until 2017 or 2018. However, when we saw how much house prices were increasing we decided we had to move in 2016 and paid 17% more than we would have just 12 months earlier!!

Compare these price levels and trends to towns which have a high proportion of mining workers – Singleton (referenced in the EIS – Appendix R – 3.4.5) and Mudgee:

Area	2011	2014	% increase	2017	% increase
Singleton (2 hrs from Sydney)	346,000	329,000	-5	345,000	5
Mudgee (3 ½ hrs from Sydney)	317,000	379,000	20	376,000	-1

These prices are at a much lower and more affordable level than the SH.

The other important points to note are that, in Singleton, the median price really has not increased at all in 6 years – an indication of low economic activity; and in both areas prices have dropped on occasions which more than likely was when mining companies reduced their activity!

**The bottom line:**

SH house prices have risen to a point where it would be very difficult for the average mine worker, albeit on higher than average wages, to be able to afford to live in the largest towns.

Most residents of the SH would not be too impressed if the growth in our house prices dropped to the levels shown in Singleton and Mudgee or even went backwards!

**Other Negative Impacts on the SH economy**

- Tourism is a major contributor to the SH economy. Destination Southern Highlands has done a marvellous job in lifting the profile of the area. More and more festivals and special events are being held in the SH e.g. the recent Pie Time Festival in June 2017. Combined with an increasing number of cellar doors in the area and wedding venues and its close proximity to Sydney, the area now has great momentum. A coal mine can only impede that progress.
- As evidenced by the forecast population growth discussed above, more people are being attracted to the SH than Hume Coal stated. People are attracted to an area by its ability to provide the services they need, transport links, and the type of lifestyle it offers. The SH is commonly described as having regional character with city comforts. A coal mine can only have a negative effect on that character
- The EIS states that the project will create indirect benefits of 34 FTE jobs per year (ES 4.14). However there is no detail provided on how this was calculated or where those jobs will be – only the methodology is provided. The natural growth of the area, which is higher than Hume indicate, and the future potential of the Badgerys Creek Airport project , will provide much higher job offerings to SH residents than the Hume Coal Project
- The fact that there will be more rail traffic passing through level crossings at Sheepwash Rd and Robertson can only hinder local residents and provide tourists with a “not so pleasant” outing through the otherwise easily traversed and relaxing SH
- There seems to be too much focus on “coal” as such in the EIS as the real benefits flow to POSCO to support their own steel manufacturing and therefore their profits. The EIS even states that “the coal resource is a publicly owned asset ... in the public interest” (Main Report 2.2). Isn’t the entire SH area on the fringes of Greater Sydney also an area that should be looked after in the interest of not only today’s inhabitants, but future generations?

**Conclusion**

The Southern Highlands will grow and prosper at a sustainable rate via its proximity to Sydney and tourism. A coal mine can only damage this potential.

Please refuse this development proposal.