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Submission: Mangoola Continued Operations

Thank you for the opportunity to make a submission about the Mangoola Continued Operations Project.

Lock the Gate Alliance is a network of landholders, Traditional Owners, townspeople and conservationists concerned about impacts of coal and unconventional gas mining. We object to this project on the grounds that the modest economic contribution of just five additional years of coal mining are outweighed by the severe and longer-lasting social and environmental impacts the extended coal mine will inflict on the local and regional community and more broadly.

We note that the mine operator elected to increase the rate of extraction at the Mangoola mine from 10mtpa to 13.5mtpa and secured consent from the NSW Government to do so just five years ago. As a result, the mine is expected to wind down by 2025, according to this EIS, although it has approval to continue operating until 2029. This undermines the proponent's argument about the chief social and economic contribution claimed for this project – the continuation of mining jobs. Had the proponent been interested in sustaining jobs in mining, it would not have shortened the life of this mine by four years by accelerating its production rate.

Mangoola mine has had a devastating impact on the rural community in Wybong. The noise from the mine has depopulated the district and those people that remain are stranded with intrusive and disruptive noise, but unable to leave.

The social impact is unacceptably severe

The social impact assessment (SIA) foregrounds the economic contribution of the mine and downplays the negative of the mine by qualifying all these as “perceptions” of the landholders affected, and “*perceived* mining-related health concerns” (our emphasis). Nevertheless, it is clear on reading the material that the proponent has been told that the project is unsustainable and that the Mangoola mine has severely damaged the community at Wybong and the financial position of a considerable number of remaining landholders in the district. The SIA describes how “once vibrant social events and celebrations e.g. Christmas and New Year, dances and group meetings, that used to occur in the Wybong Hall were now less frequent as a result of a dwindling population base,” how people have to live with their windows shut against the dust, how they are driven mad by noise and how their mental and physical health suffers. If this mine is not able to operate without inflicting this damage on the district, then it should not have been granted consent, and this application to extend mining for a further five years and exacerbate this damage must be refused.

The social impact assessment reveals a failure of the mining industry more broadly to deliver social benefits for the Muswellbrook area. Muswellbrook has lower levels of education attainment than NSW, higher unemployment, “ranks poorly compared to other NSW LGAs in break and enter dwelling, drug offences, assault - domestic violence, and malicious damage to property, steal from motor vehicle” and is on the cusp of the lowest quintile for social disadvantage according to the Social Health Atlas of Australia. These challenges come off the end of a ten-fold increase in coal production in the Muswellbrook area in the last fifteen years, indicating that the extreme wealth captured by the mining companies has not benefited Muswellbrook broadly. This is reflected in the feedback given by the community for the social impact assessment.

Despite the SIA clearly indicating that the community is disappointed by the social damage mining has inflicted and the failure of the proponent and the industry more broadly to improve the overall standard of living and health of people in the district and the region though the assessment qualifies landholder and public feedback about these negative experiences as “perceptions.” The SIA describes how a “*perceived* decrease in human health and wellbeing (physical and psychological) is one of the key issues raised by some community members regarding the *perceived* impacts from coal mining in the Upper Hunter region” (our emphasis). This is compounded by the SIA giving only a “low” social impact rankings for the impact of mine dust and “moderate” for mental distress despite the known health impacts of particulate pollution and clear feedback from nearby landholders that air pollution is affecting their health.

Nevertheless, the SIA reveals the extreme distress the mine has caused landholders in the Wybong Valley who feel trapped and unable to move, all the while suffering the noise and air pollution from the mine and witnessing its negative transformation of the landscape of their home district. As Lock the Gate has frequently raised with the Department, the Voluntary Land Acquisition and Mitigation Policy (VLAMP) is doing considerable individual and collective damage in rural communities affected by large open cut coal mines. The distress and dislocation caused by this policy is clearly evident in the social impact assessment for this project and it is unconscionable that another development consent should be granted for expanding coal mining in this district under these circumstances. We have previously appealed to the Department to review the social and economic, private and collective damage inflicted by this policy and reviewing the social impact assessment of this mine indicates such a review is critical and urgent. This damage is not only evident in the experiences of people that have been left behind, feeling trapped and suffering sleepless nights and loss of value of their only asset, but also in the loss of community describe by those left behind as most of the community is driven away by the mine’s noise and air pollution.

Overall, the mine’s consultants give the project a “moderate” social impact ranking for cumulative impacts which is clearly not in keeping with the data the impact assessment collected about the social and economic situation in Wybong and Muswellbrook. We would draw the Department and the proponent’s attention to remarks by the Mayor of Cessnock, Bob Pysant, about the long-term social and environmental costs of mining in his region, at a recent parliamentary inquiry: “Council wants to note that not all mining impacts are direct. Community impacts of mining build over time. Impacts accrue and accumulate to leave a legacy of compounded and complex economic, social and environmental costs not fully comprehended or accounted for under the current approval or make-good requirements.”¹

¹ Transcript, Singleton public hearing of the House of Representatives inquiry “How the mining sector can support businesses in regional economies.” 5 November 2018.

Lack of information about transition planning

Muswellbrook Council's Land Use Development Strategy asserts the "need for a whole of life consideration for mining activities, including quality rehabilitation and restoration of mined land." It is clear that the proponent is *not* considering a whole of life approach to mine management. On the contrary, it is putting Muswellbrook and surrounds at significant risk of economic and social upheaval from the unmanaged decline of coal mining. The SIA highlights that the development consents for the six closest mines to Mangoola are all slated to end within the next eleven years. The current consent for Mangoola would see mining cease in 2029, in the middle of this period. The intervening years are the time that Glencore should be spending preparing its own workforce for this change, as well as the broader community it admits is tightly intertwined with this mine and several other mines owned by the proponent. Were this extension application to be granted, it would only extend mining at Mangoola for five more years, delaying the important work of preparing the community for adjustment to closure.

The social impact assessment clearly indicates that people in the region told the proponent "there was also a desire for greater economic diversification, through the development and attraction of other industry and business sectors (as stated in regional and local strategic plans), and the need to address land use conflicts and cumulative impacts e.g. workforce mix, community participation, workforce competition associated with the presence of a prominent industry sectors (e.g. mining, thoroughbred and viticulture) within the locality." In counter to this, the proponent cites the scale of money it injects into the region, but this financial contribution has clearly not prevented the social impacts that have occurred in the last decade.

The EIS reveals that coal extraction has increased ten-fold in Muswellbrook Shire in the last fifteen years ("from 4 Million tonnes in 2001 to 43 Million tonnes in 2011") and notes that "the average annual salary of employees was almost double the average annual salary in NSW." Though obviously these large salaries are enjoyed by the workforce and contribute to money moving in the local economy, the EIS fails to recognise the significant social risk faced by Muswellbrook and the Hunter region more broadly in having a highly-paid workforce in the prime age group of 35-45 years old, predominately male and with low educational attainment concentrated in one industry that is subject to market fluctuations beyond the control of the companies or any public authority in Australia.

Experiences of structural decline of coal mining in generational mining communities around the world demonstrate the likely social and economic decline that Muswellbrook and the Hunter region face if preparations are not made for slow and orderly transition. Coal transitions in the UK, Czech Republic and the United States echo the local experience of Cessnock which has struggled to recover from the decline of coal mining. Investigations of structural adjustment in other coal regions highlight the importance of anticipation, the length of time adjustment takes, the scale of investment needed, the importance of local conditions and local knowledge and, crucially, the degree of acceptance in the community about the need for adjustment.

The proponent of this project, as one of the largest coal producers in the Hunter region has an unmistakable role to play in this preparation, gradual adjustment and community acceptance. Far from acknowledging and preparing for this enormous social and economic challenge, the Social Impact Assessment states that, "The industry is only expected to grow further over the coming

years, with the Mineral Council of Australia predicting a 400 Million tonne increase in worldwide demand by 2030.” The Minerals Council is far from being an objective authority to cite for this expectation and the SIA fails to mention that there is considerable doubt about the future of the mining industry in the region.

Environmental impacts

The proponent’s assessment of greenhouse and climate change impacts is inadequate. It asserts that the more than 100 million tonnes of greenhouse pollution that will be created by this project “is unlikely to influence global emission trajectories” but offers no supporting information that could substantiate this claim by contextualising the greenhouse emissions of the project within global carbon budgets consistent with the temperature goals of the Paris climate agreement and within coal demand and emissions trajectories of the countries where the coal will be burnt.

The EIS asserts that “most of the product coal generated by the MCCO Project will be exported to countries who are parties to the Paris Agreement” but does not provide further information.

The proponent goes to some lengths to argue that the greenhouse elements of the judgement in *Gloucester Resources v Minister for Planning 2019* should not be relied upon in the consideration of this coal mine project. Glencore argues that “the climate change impacts and GHG emissions generated by the Project should not outweigh the significant social and economic benefits that the Project will deliver at a local, regional and State level.”

Nevertheless, the proponent admits that downstream greenhouse emissions and ensuring that greenhouse emissions are minimised to the greatest extent practicable are mandatory considerations for this project under NSW law.

The proponent erroneously refers to consideration of Scope 3 emissions from this project in its assessment and determination as “double counting” despite knowing that double counting is more accurately described as “occurring where the Scope 3 emissions generated by the burning of a mine's coal by other developments are counted twice in the context of calculating a country's GHG emissions for the purpose of tracking progress towards achievement of its NDC.” (Appendix 26)

The consideration of Scope 3 emissions of this mine occurs outside the context of Australia’s NDC under the Paris climate agreement. Rather, in the weighing up of social and environmental impacts and benefits of this project, its Scope 3 emissions and consequential contribution to climate change is a mandatory consideration. Similarly, the proponent adheres its argument in Appendix 26 to what is strictly “required” of the consent authority, and Australia, under the NSW *Environmental Planning and Assessment Act* and under the Paris Agreement respectively. But the consent authority is not limited by these prescriptions and, indeed, should not be, given the high stakes involved and the absence of action from the proponent or the New South Wales governments to come to grips with the extreme environmental, economic and social challenge of climate change and the Hunter region’s dependency on coal exports.