

Watermark Coal Project
Planning and Assessment Commission Public Hearing 11th
December 2014
NSW Farmers Comments – President Fiona Simson

INTRODUCTION AND BACKGROUND

Good morning, my name is Fiona Simson, I'm the elected President of the NSW Farmers Association and my family farms near Premer on the western edge of the Liverpool Plains. Thankyou for the opportunity to present here today.

You have already heard from various individual farmers and farm based organisations. NSW Farmers wishes to add to those comments. NSW Farmers is Australia's largest State farmer organisation which makes us uniquely placed to be able to speak on behalf of the vast majority of farmers in NSW, including the ones that are going to be affected by this mine, now and into the future. As a matter of interest, our members include at least one large international mining company, a number of Federal and State MP's, and a number of people who work in the mining industry. As a state farming representative group, we rarely have policy about localised issues, and are not at all generally opposed to mining, but it speaks for itself that in this case we do. Our thousands of members from right across the state recognise the unique qualities of the Liverpool Plains that I'm sure you have already heard so much about, and demand that this region be protected.

NO SIGNIFICANCE OF THE COAL RESOURCE

Although there is no doubt that there is coal underground, experts cannot identify anything particularly remarkable about it. The

Government's own Department of Resources and Energy (annexed), in a letter from Deputy Secretary Kylie Hargreaves to the Department of Planning about the supposed significance of this resource (which I'll refer to later), can only deem it to be significant because "of it's ability to increase production from the Gunnedah coalfield". Hardly compelling, is it? They haven't been able to come up with anything better than that. Clearly there cannot be any "significance of the resource" argument at stake here. On the other hand, experts across the world agree that this region is, through coincidence of nature and the investment of generations of farmers, the ideal place to grow food. The Liverpool Plains should be the last place to be mined, not the first, and it cannot be in the public interest to put this unique, fragile, yet highly productive region at risk, for an unremarkable, second-rate, short term coal resource duplicated in many regions across NSW, Australia, and in fact the world. Food and water versus coal. Short term financial gain versus long term financial and food security. It doesn't get much simpler than that. This is the wrong mine in the wrong place.

We have observed, over the last few years, rural communities facing unprecedented expansion of mining and other extractive industries. The legislative framework in NSW has struggled to keep pace with the increased land use conflict that this brings. In fact, the legislative framework has largely been developed in an ad-hoc nature to suit, we would argue, the interests of miners at the expense of certainty for our agricultural industries and our productive agricultural lands. The fact that we are even sitting here today contemplating and debating the merits of an open cut coal mine on the Liverpool Plains is no truer illustration of this. There is a total absence of trust in this process or in the proponent.

IMPORTANCE OF AGRICULTURAL PRODUCTION ON THE LIVERPOOL PLAINS

Let's start taking a close look at exactly what is under threat if the Shenhua Watermark project is to go ahead under the draft recommended approval by the Department of Planning. It is easy to quote figures and become de-sensitised to the actual quantum of what is at stake. I would urge the Commissioners to take heed of the evidence of the agricultural productivity of this region.

ABARES states that the Liverpool plains produces approximately 40% above the national average of food per hectare. The New England and North West Region is the highest contributor to agricultural value in NSW:

- In 2012/13, the total Gross Value of Agricultural Production was \$2.4 billion, accounting for 21% of the state's total, and also
- In 2012/13, it produced the highest value of crops in NSW of \$1.7 billion, accounting for 23% of the state's total (ABARES, 2013).

According to ABARES data published in 2014 this region also accounts for 91% of NSW sorghum production, 58% of legumes, 54% of cotton and 26% of cattle. 10 year averages support these figures. Whilst the proponent (and the department of Planning in the letter referred to previously) is only too happy to use the multiplier effect to magnify the supposed value of this project, it is frustrating to say the least that much of the agricultural data submitted is restricted to the boundaries of the mine itself, takes no account of the regional data which is put at risk, and of course refuses to acknowledge the clear multiplier of 1:5 estimated by

the Australian Bankers Association across agribusiness in the Liverpool Plains both pre and post farm gate.

This is also an area that is inherently drought resilient, due to its unique geophysical attributes. According to one of the latest NSW Government seasonal conditions summary reports 'Pasture Growth Relative to Historical Records from 1957' for the period August 2014-October 2014, this region is currently producing up to 80% above the historical average, despite current low soil moisture and record drought conditions across other parts of the state.

The area is also home to 28 threatened plant species (11 endangered), 66 threatened animal species, 4 threatened aquatic species and 12 endangered ecological communities according to the *NSW Office of Water* in their Namoi Catchment Overview.

How, when considering the facts outlined above, can an open cut coal mine, with the undeniably massive impacts that its activities bring be allowed to threaten such an important and special area. Once the damage is done it cannot be undone. It's too late, it cannot be "made good".

GOVERNMENT POLICY FAILURE

Currently, NSW Farmers, along with a large cross section of stakeholders is being consulted on the development of a strategic framework to improve the process for the allocation of coal exploration licences in this state. This process arose as a direct response to the Independent Commission against Corruption (ICAC) recommendations to reduce the opportunities and incentives for corruption in the State's management of coal resources. This is all very well and good, but what

does this mean for THIS mine in THIS place? Let's not forget that this exploration licence was issued under no such strategic process as what is being considered now. The Liverpool Plains cannot be a sacrificial lamb. There are processes in train at the moment that could conceivably find that this area is simply what we have been stating all along – that this is the wrong mine in the wrong place. The exploration licence should have never been granted, and the production licence must NOT be granted.

If I cast my mind back to the development of the Strategic Regional Land Use Policy, comments made by the Planning Minister at the time made it clear that the government had always intended to protect the Liverpool Plains from extractive industries. On national morning radio in 2012, Minister (now Attorney General) Brad Hazzard, acknowledged massive holes in the way the government planning framework had failed to protect agricultural land. He then went on to state this was the reason why the government was setting up the SRLUP and stated that:

“we knew that it was extremely likely that whatever process, whatever decision making went on, the Liverpool Plains, for example, and the viticulture industry, the thoroughbred industry WOULD BE PROTECTED.”

We also need to consider the comments of the previous Deputy Premier, Andrew Stoner at the May Day rally in 2012. In addressing the crowd of thousands he stated very clearly that:

“If any proposed mining or gas extraction activity is likely to harm our prime agricultural land, other important rural industry clusters or the water resources associated with those areas IT WILL NOT GO AHEAD.”

Even prior to this government, back in 2008, there was a planning instrument introduced called the Rural Lands SEPP. It was introduced in an attempt to recognise and safeguard the contribution of agriculture to the state. The Planning Circular that was released at the time speaks of the importance of the ongoing orderly and economic development of rural lands in NSW. A key part of the SEPP was the introduction of the notion of 'state significant agricultural land'. The provision was included to give the relevant Minister the opportunity to protect land with agricultural state or regional significance that may be under pressure for uses not compatible with the current agricultural use, where its protection will result in a public benefit. Once again though, it is a case of a policy failure as at the time of its implementation, and to date, there are no lands listed under this SEPP as state significant.

Instead, what we see are provisions to facilitate the mining industry. There is no clearer example of that than the recent changes to the Mining SEPP as they relate to the significance of the resource. These changes make the "significance of the resource" the primary consideration for consent authorities such as this PAC. At the previous PAC NSW Farmers pointed out that the Department of Planning erred in their conclusion that the changes to the SEPP regulation in this regard should not be subject to the government's own self imposed "Guide to Better Regulation". The Department of Planning concluded that the changes to this policy would NOT have a significant impact on individuals, the community or a sector of the community. Clearly they do, but if they had have made this decision it would have meant the views of the community would need to be taken into account when making the changes. A Ministerial minute obtained by NSW Farmers through the GIPA process states that the majority of submissions (around 85

percent) received in the short exhibition time of two weeks, objected to the changes or had strong concerns about their implementation.

What was envisaged by previous and current governments has very clearly not been delivered. If it had, we would not be standing here debating the merits of an open cut coal mine on a greenfields site in the middle of the Liverpool Plains. The government has mapped this area as unique and valuable, then comprehensively FAILED to protect it for the unique agricultural properties that it has. We are proceeding blindly down a road that is not in keeping with the governments own stated intention and it beggars belief as to why. It can only be up to this PAC to uphold what has always been the government's stated policy intention. This community can wait no longer, it has been nearly 10 long years that the community has been dealing with the ramifications of the granting of the licences to BHP Billiton and Shenhua. This community needs a clear decision now that accords with the government intent to protect the Liverpool Plains for food production, and protect it from the risk of damage from short term extractive industries. This community deserves the right to invest in their businesses, in their communities and in their families with certainty, and to take advantage of some of the exciting food production possibilities of the future. The income from this region has not only underpinned the economic growth of this region and food production capability of this state for the last 100 years, but has the potential to quite naturally be the state's centre of agricultural growth and excellence for generations more. This, Commissioners, this region's unique natural characteristics that make it an exceptionally productive food producing area is what is State Significant about this area - not it's unremarkable coal reserves.

Experts disagree on the impacts of this mine. They can't even agree on the model. There is no trust between the community and the proponent or the community and government. The impacts are uncertain, the risks are unknown, yet the Office of Water seems to think they can fix any damage to our valuable and complex underground aquifer systems through adaptive management. Certainly remediation of this type on this scale has not been successfully attempted and achieved anywhere else in the world. The Liverpool Plains is way too valuable to be a guinea pig or a sacrificial lamb. The one thing that is certain is that once approved, there is no going back. We cannot create environments like this again. It is up to the PAC to assess at the end of the day whether THIS mine in THIS place is in the public interest. I put it to you that it is not. At a time when the government recognises the importance and value of water, and has plans to spend billions of dollars on the development of dams to shore up regional communities and agricultural industries in other areas, it doesn't make sense to be putting at risk a region which does it all naturally, has done for hundreds of years, and will do so for many generations more. You have seen and heard from some of our wonderful young agricultural farm leaders. They are the voice of the future. This is an area of agricultural resilience, agricultural excellence, with a proud agricultural heritage and a strong agricultural future. This project is the wrong mine in the wrong place, and it must not be approved.