

To the NSW Government Independent Planning Commission.

I am Stuart Murray, a retired Agronomist now cattle farmer in the Narrabri Shire. Approximately one third of my property is affected by the Whitehaven Underground Mine Stage 3 Extension, the remainder by the Santos PEL238. In 2007 as a result of dealings with Whitehaven where they failed to honour their access agreement with me I learned not to trust them. This commenced my continued opposition to resource companies involved in coal and gas. Recently, in December 2018 I was told by Whitehaven that the current plan for the Stage 3 extension will not mine coal from beneath my property, and therefore will not need to acquire my property at this stage. Near neighbours to coal mines find themselves in so called limbo land owning properties that will be difficult to sell, or if sold, it will be at prices below what could be expected if the coal mine were not your neighbour.

I am also a member of a community group called People for the Plains (P4P) who tended a nine page Submission to the Vickery Extension EIS where we objected to the Vickery Expansion on nineteen grounds. I note that we are not to discuss our objections raised in our Submission at today's presentation however after attending the Boggabri Golf Club Dept of Planning information Meeting and witnessing the considerable community concern, I felt it was important to come today and support those who do not want the Proposed Vickery extension approved.

My property is about 26 kilometres from the open cut mines at Maules Creek on the opposite side of the Namoi River and I occasionally see the yellow orange blast fumes which contain toxic gasses. Although they are unlikely to affect me it is disturbing just to see them. This would be one of the many reasons the neighbours to these mines and the proposed Vickery Extension would object to the approval of this extension, as I am sure the members of the panel would also if they were the mine neighbours. For this reason the concerns of those objecting to this extension should be considered, as if in fact members of the IPC were also a neighbour of the mine. With this approach I would like to think the adverse social impacts on the community could be eliminated.

I would like to know what dust suppression measures are in place at the existing mines and if the blast fumes gases are permitted to escape?

If not then what measures will be implemented to guarantee these fumes do not escape from the Vickery Extension if approved?

P4P have already expressed some of our concerns to the Secretary of the Department of Planning and Environment, for example pointing out that multiple community requests for an extension on the closing date for public submissions were rejected and yet it seems the process has been sped up. Whitehaven has had five years to consider this proposal. We also pointed out that we were displeased that the Department of Planning accepting an EIS from Whitehaven Coal that is of such poor quality.

In support of our submission and others that have opposed the Vickery Extension I raise the following three points.

1. Resource Companies have a habit of exaggerating the benefits and downplaying the impacts of their development proposals and Whitehaven Coal are no exception. They like describing their proposals as sustainable, a word with many definitions. I chose the following definition as I thought it appropriate for the Vickery Extension proposal. The **Brundtland Commission**, defined sustainable development "*as development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*"

The **Brundtland Commission** was formally known as the **World Commission on Environment and Development**. At the time, 1983, the United Nations General Assembly realized that there was a heavy deterioration of human environment and natural resources, so established the **Brundtland Commission** to rally countries to work and pursue sustainable development together. (This paragraph was copied from Wikipedia) Now more than ever Governments need to take notice of this definition, as we instead continued to enjoy the benefits of trashing the Planet, therefore compromising the ability of future generations to meet their own needs.

2. The NSW Government policy states that. *"The NSW Government endorses the Paris Agreement and will take action that is consistent with the level of effort to achieve Australia's commitments to the Paris Agreement"*. If the proposed Vickery Extension is approved the above statement will be yet another example of rhetoric, something the electorate is tired of. Even the Australian Government's own projections show that Australia is not on track to reach our national emissions reduction target. Refer to the Australian Government Department of Environment and Energy, report, Australia's Emissions Projections 2018.

Attached is a copy of Figure 4, from this report showing projections compared to the trajectory needed to achieve the reduction targets.

3. I also note on page 4, of the Executive Summary contained in the Vickery Extension Project: Preliminary Issues Report, the comment that, *"the Department will also undertake an assessment of the projects impacts on matters of National Environmental Significance"*. Two of the main considerations in this assessment should be the contribution that the proposed Vickery Extension will make to Green House gas emissions and therefore Global Warming, and the need to protect our water resources.

Before we came along, the Murray Darling Basin environment took 100% of the water and during droughts it still dried up. Part of the argument now is how much worse the problem has become since some of this water resource has been allocated to our needs. The fact that our Government has spent eight billion dollars so far trying to restore environmental flows, and so far there is little to show for this expenditure, suggests there is a serious problem. There are still competing demands for an increased share of this water resource, for example from coal mines and this combined with the expected added stress of climate change indicates the situation is likely to get worse rather than improve. Indeed, the Federal Government's own State of the Environment Report 2016 gives a poor assessment on inland water flows in the basin. It reports long-term downward trends in flows since 2011 and a widespread loss of ecosystem function.

The Murray Darling basin water resource has suffered a death by a 1000 Government decisions. Eight Billion Dollars has so far been spent trying to fix it. The message is, do not make it 1001 bad decisions by approving the Vickery extension.

If the consent authorities take these three points seriously then this should be enough reason for the Vickery Extension proposal to be rejected, as the urgency needed to tackle these problems escalates.

There would be few people who are not disenchanted with our current Federal and NSW State Governments particularly because of their attitude to Global Warming and support for fossil fuel businesses.

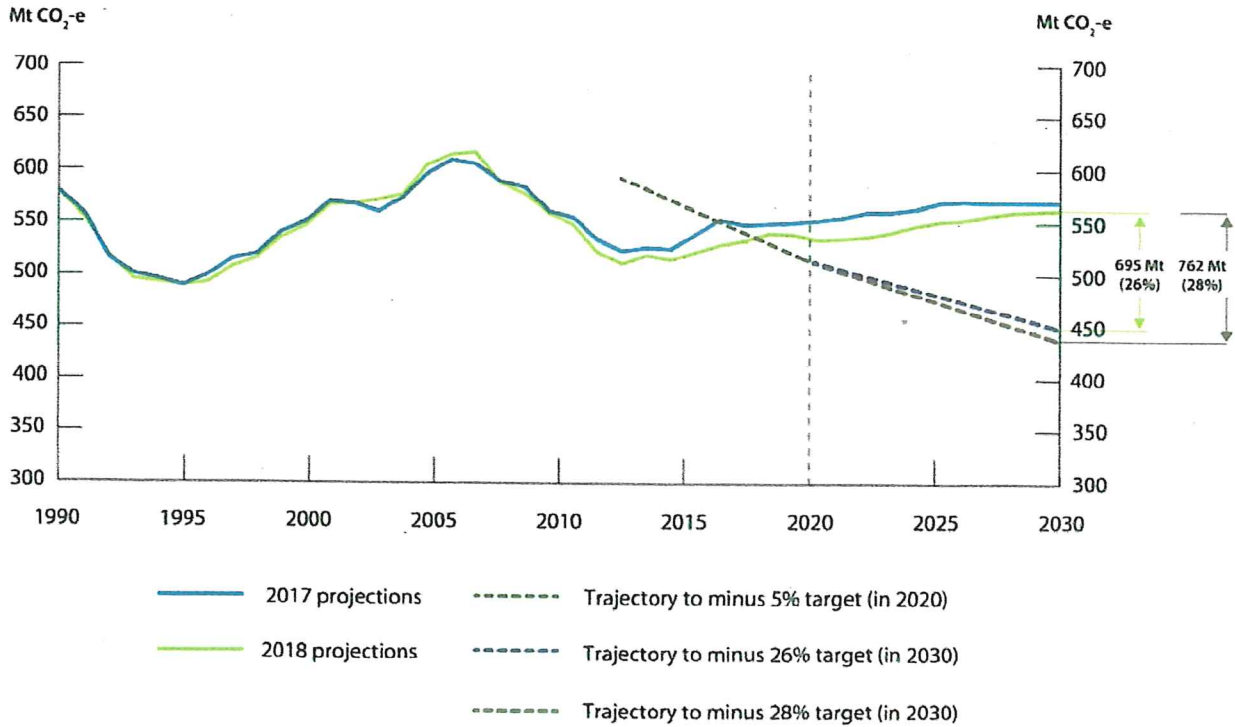
The Governments are well out of step with the general public on these issues. We are also losing faith in some Government Agencies, this feeling being supported by some recent adverse publicity.

Attached to this presentation is an article by a well known economics editor to the SMH, Ross Gittins. The title is: Mining's Economic Contribution Not as Big as You Might Think.

Thank You.

Stuart Murray.
People for the Plains.
17/1/2019

Australia's emissions trends, 1990 to 2030



Source: Page 12 Australia's emissions projections 2018

Australia's greenhouse gas pollution levels have been going up for four consecutive years now, and our pollution levels – excluding unreliable land use emissions – are now at record highs (Department of the Environment and Energy 2018).

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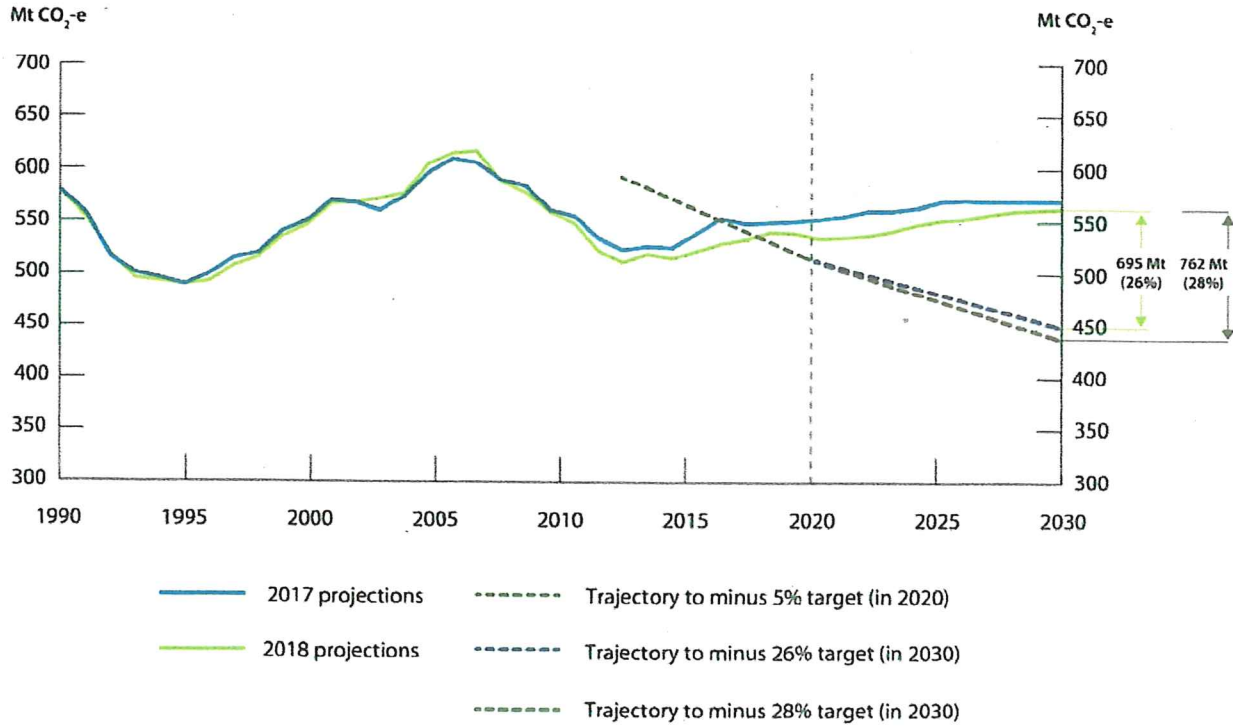
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COMMENT BUSINESS OPINION

Mining's economic contribution not as big as you might think

By [Ross Gittins](#)

Updated 4 February 2017 – 12:31am, first published at 12:15am



With Malcolm Turnbull desperate to keep burning coal for electricity, just how important is the mining industry to our economy? Short answer: not nearly as much as it wants us to believe, and has conned our politicians into believing.

Because people like me have spent so much time over the past decade and more banging on about the resources boom, we've probably left many people with an exaggerated impression of the sector's importance.

It's true that, thanks to a quadrupling in the value of its physical capital, mining now accounts for about 7 per cent of our total production of goods and services (gross domestic product), compared with less than 5 per cent in 2004, at the start of the boom.

But 7 per cent ain't all that much, and if you measure mining by how much of our

workforce it employs, it's even less: 2 per cent.



Capital expenditure is a dirty word in the commodities sector. MAX MASON-HUBERS

That's just 230,000 people, about as many as are employed in the arts and recreation.

It compares with 300,000 workers in agriculture, 400,000 in financial services, 800,000 in accommodation and food services, 900,000 in manufacturing, almost a million in education, a million in construction, another million in professional services, 1.2 million in retailing and 1.5 million in healthcare.

Still think the economy revolves around mining?

How can an industry account for 7 per cent of our production but only 2 per cent of our jobs? Because it's so "capital intensive" - it uses a lot of expensive equipment, but not many humans.



Illustration: Glen Le Lievre.

Because it employs so few people directly, the industry is always paying "independent" economic consultants to estimate how many people it employs "indirectly" as dollars earned from mining are spent in other parts of the economy.

This is always a good way to impress judges - who know a lot about law, but little about economics - when you're trying to persuade them to let you despoil the environment.



The dramatic coal price rally of 2016 was not enough to bring Yancoal into profitability. AP

It's true that money earned from mining has a "multiplier effect" when spent. But it's just as true of money earned from any other industry. Or money spent by the government.

Normally I'd be happy to defend an industry against the idea that it didn't contribute much because its capital intensity meant it directly employed few workers.



Adani's proposed Carmichael coal mine would be so huge it would lower the world price of coal.

That's because what matters most is how much *income* the industry earns from its production. When that income is spent - by employees, suppliers, tax-receiving governments or profit-earning shareholders - jobs will be created somewhere in the economy.

In the case of mining, however, there's weakness in the argument. Our mining industry is about 80 per cent foreign-owned - mainly by BHP Billiton, Rio Tinto and Glencore - which, in econospeak, adds a huge "leakage" to the "circular flow of income" around our economy.

(Another leakage is that most of the heavy equipment the miners and natural gas producers use is imported.)

If most of the profits made by our (highly profitable) mining industry don't belong to us and end up being spent in some other economy, this greatly reduces the economic benefit we get.

Which makes it doubly important the mining companies are paying a fair rate of tax on their earnings in Oz.

Here, the industry often pays "independent" economic consultants to write reports showing what huge amounts of tax it pays.

But these usually rely on the legal fiction that the minerals royalties the miners pay to state governments are a tax. In economics, a tax is something you pay the government for nothing specific in return (if you *are* paying for something specific, it's a "user charge").

Royalties are a user charge. The miners are buying access to valuable mineral deposits owned by us. Royalties are levied on different bases but, overall, they're probably charging less than the minerals are worth.

So the miners shouldn't expect brownie points for paying for the minerals we hand over to them. The Rudd government did try to ensure we taxed their profits more fairly and adequately but, as you recall, the miners objected and so Tony Abbott abolished what was left of the tax.

But, whatever their profits, they're paying 30 per cent of them in company tax, right? Right in theory but, as we've realised, in practice not so much.

Our big foreign mining companies are heavily into minimising the tax they pay by moving profits offshore, claiming to do their "marketing" in Singapore, where the tax rate is lower.

All of which makes you wonder how well we do from our foreign-dominated mining industry, considering all the environmental and economic disruption we have to put up with.

But it's worse than that. Our politicians, state and federal, are so desperate to create the temporary appearance of progress and jobs that mining projects bring - and, no doubt, to say thanks for the generous political donations the miners make - that they often use the offer of hefty subsidies to attract them.

The subsidy comes in the form of governments building railways, ports and other infrastructure on the miners' behalf. (Not to mention the federal government's exemption of mining from paying the diesel fuel excise, worth billions a year.)

Take the Indian Adani company's proposed Carmichael coal mine in central Queensland, which is so huge it would lower the world price of coal, to the disadvantage all existing Australian coal miners.

Queensland's Newman government was so keen to use the project as proof of progress it offered Adani a "royalty holiday". Now the Turnbull government is offering a \$1 billion-plus concessional loan in the name of developing Northern Australia.

Both the miners and the politicians indignantly deny the industry receives any subsidies. But that's not what the West Australian and Queensland treasuries say in their submissions to the Commonwealth Grants Commission, revealing how poor the mining companies keep them.

If the nation is ahead on the mining deal, it ain't by a lot.

Ross Gittins is the Herald's economics editor



Ross Gittins



Ross Gittins is economics editor of the SMH and an economic columnist for The Age. His books include Gittins' Guide to Economics, The Happy Economist and Gittins: A life among budgets, bulldust and bastardry.

