

Noes, 20

Mr Brown	Reverend Nile	Mr Tsang
Mr Catanzariti	Mr Obeid	Ms Voltz
Ms Fazio	Mr Robertson	Mr West
Ms Griffin	Ms Robertson	Ms Westwood
Mr Hatzistergos	Mr Roozendaal	<i>Tellers,</i>
Mr Kelly	Ms Sharpe	Mr Donnelly
Mr Macdonald	Mr Smith	Mr Veitch

Question resolved in the negative.

Motion negatived.

Who Can You Trust?

Ian Macdonald is the State Minister for Primary Industry, Minerals and Energy and State Development.

On the 17th of January 2009 the Newcastle Herald reported Ian Macdonald would reject Gloucester Council's representations to him regarding coal exploration licences near Gloucester. The Minister defended his position by referring to **2007** Charles Sturt University (CSU) research which seemingly states that towns that have mining have increased average incomes by \$6,000.

The GRIP team approached the Minister's office who were unable to find the quoted research. The University searched extensively without success. Along the way they discovered that the Minister used the same argument in Parliament in **2006** (Hansard 19 October 2006) during Question Time.

Further digging by the Newcastle Herald revealed the source of the research and references to it - but not the research itself. The Western Research Institute, based at CSU, confirmed **privately** to The Herald that the research found that "...there was a substantially higher average per capita taxable income in regional towns with mining enterprises of between \$4,500 to \$5,000 in the west and north-west of the state as compared to non-mining towns – **in those areas.**"

Further, they stated that the impact is different across communities and therefore it would be expected that increment would be greater or less than the average in some communities depending on the extent and nature of the mining activities. They went on to state that "...as the research was produced as part of a private consultancy, the findings are not publicly available."

The institute also noted that **the research was not released to the Minister** who might have learned of it by other means such as a presentation or radio interview. Perhaps it could also have come to his attention via the mining lobby – perhaps they were the recipient of the research?

It is interesting that the minister seems so loose with the truth. The Legislative Council on 19 October 2006 – Hansard quotes Macdonald: "regional towns or cities with

mining interests in the area on average have income **in excess** of \$6,000 higher than that of non-mining towns".

From what we now know of the WRI research, we should expect that if there is any new income increment in the town attributable to any future mining closer to town, it would be considerably less than the inflated \$6,000 he used in dismissing the Gloucester delegation.

As the exploration licences surround our town on 3 sides - literally on the township boundaries - and consume occupied residential estates, golf course, camping and town recreation areas, and highly productive agricultural farms along our two principal rivers, any future increments in income from mining must come at the cost of reduced income from rapidly growing tourism and agriculture.

In essence, the minister has tried to quash community concern by whatever means he can – and it seems he is not above using 'facts' as convenient stepping stones regardless of their merit.

Minister Macdonald is a business man too. And he's into BIG business. Macdonald had sold a huge coal exploration licence to BHP for \$99 million over the rich black soils of the Liverpool Plains. He also sold a second exploration licence, to the Chinese coal company Shenhua, for \$300 million.

How did he determine the price? Did he ask the farmers? No. Did he ask the voters? No. Did he ask the local community? No. \$400 million is a lot of money for just exploring (having a "look"). There aren't too many businesses in today's economic climate that would fork out that kind of money unless there was a very strong chance of realising a substantial return on investment. In this case it could only be by discovering coal and mining it, or selling the rights to mine it.

Ian Macdonald is the man who will decide whether Gloucester Resources Limited (GRL) continue to explore for coal in the beautiful Gloucester Valley. For months he dismissed our Community's concerns explaining via the media that GRL were only exploring.

On the 26th of March however the minister **admitted to GRIP that another mine close to Gloucester Township was a possibility**. He even confirmed the area: to the east of the town between the Mograni range and the town, and north of Fairbairns Lane. His understanding was that the coal seam ran parallel to the hills and dipped at about 25 degrees running in a westerly direction back to the towards the town. **And so that is how easily the Minister moved us on from a position of just exploring to the real possibility of a mine occurring on our doorstep.**

Then at the Royal Easter Show the Minister explained to a Gloucester local that the mine would be underground, it

would create 500 jobs and people shouldn't be concerned as there was already mining there. Well Mr Macdonald can you please explain:

1. Why didn't you formally communicate this information directly to the Gloucester public as soon as it was known to you? You still haven't done this!
2. Where did the 500 jobs come from? There must be some pretty significant data that you have access to that should be shared with the Gloucester community as a matter of urgency.

It is most disappointing that up until now Mr Macdonald has not bothered to visit the Gloucester community and engage the public. The Government and GRL clearly know much more than they are letting on.

Don't look to GRL for any honest answers, they are more interested in talking about the local footy competition, how generous they are with their money and how they move cattle to higher ground when it rains. Oh, and they have now started explaining to us all what coking coal is used for!

By Gary Ferris & Chris Russell

GRIP Member Viewpoint

Here are the facts as I understand them:

1. Gloucester Resources Limited (GRL) wants to mine our town.
2. They have a budget of \$27 million to set up their infrastructure
3. They start by becoming associates of some of the biggest business people in town. The same people who built their success on the backs of farming & agriculture families & now turn their backs on those same people. Greed is the driver here. Shame is not an emotion to these people. Greed is their life blood. They are already successful & financially secure but are still prepared to "sell out" their "friends" in Gloucester, at any price, even their self respect.
4. The next step in the strategy is to sponsor local sporting & social groups, which they have done. I know if I was a group that needed financial support I would also take it. It's the price we have to pay for that support that is going to destroy us.
5. Ian MacDonald is the minister for mining AND primary industries. Surely, a conflict of interests. The NSW government is literally broke & mining licences & royalties are their cash cows. Long term effects are not even briefly considered. This is not a political statement. It's a fact.
6. The minister has said in public forum, even before the licence renewal, that if there are minerals in the ground "they will harvest them". When questioned further on this he just repeated the same phrase. He is arrogant & riding roughshod over anyone who challenges his questionable ethics or lack of regard for Australia's long term future. Our grandchildren's future.
7. As a pathetic attempt at trying to show community inclusion in the process, a Community Consultative Committee (CCC) has been set up & without boring you with the details, the amount of "community consultation" seems to be zero unless information is dragged out by groups such as GRIP. It is a toothless group as the decisions are already made. The reason for this? Is the "independent chairperson" of the CCC is appointed by the minister. Yes, that's right, the same minister who said "If there are resources we will harvest them". Do you see another conflict of interests here or is it just me?
8. Last month we went to Parliament House in Sydney which you may have heard about. From a normal person's point of view it was just unbelievable. The minister MacDonald at no time listened to the case being put forward by any of the speakers that were opposing him. During the debate he was talking & laughing with other members & when he was asked a direct question he just stuck his head in a book. He had complete disregard for us & his peers. There is no way any change can eventuate when he is not open to listening & understanding or even partial to a bit of "courtesy, manners or respect". It is his way or the highway. If our children behaved like Mr MacDonald & some of his other cronies we would have grounded them for a month. These are the people who are bulldozing their way into our town & most of us are just letting it happen. They are taking what has been ours for months or years or generations. This is "legally stealing" from us & I know we wouldn't go quietly if an actual thief was in our home.
9. This month's GRIP newsletter will show a lot of the health issues & false impressions of what mining brings to a town.
10. In a world of "childish politicians", no regard for environments we live in now or in the future the reality is this: One day we will have to provide ourselves with food & water from our own shores. We can only do this if we have the agricultural land & clean waterways to do so. Mining is threatening to take both of these requirements away. Forever. There will be no food or clean water if the mining "thuggernaut" is let go unchecked in our town & towns like ours. Literally, some of our best friends, that we holiday with, are miners & they too are disgusted with the events unfolding in Gloucester & the Liverpool Plains.
11. 8% of land in Australia is considered prime agricultural land so, surely, in the other 92% we can find enough places for our mining industry.

In short, the politicians, the mining companies & the greed of the local business people who have betrayed us are taking our town by stealth. "Divide & conquer" "Money talks" are their catch phrases.

Don't think for a minute all the money stays in Australia. Have a read of this month's GRIP newsletter, as that isn't the case.

On a personal note, this is the first time I have ever been involved in a public cause. It is out of character but it should show how important our opposition to this outright destruction of our homes & town is.

Please get involved as it starts with "The Power of One" & I've seen the toll it has taken mentally, physically & financially on the people of Gloucester.

Peter Denmeade
Gloucester

George Souris stands with the Protesters

Here are some of the things George had to say when he supported us at State Parliament on the 4th June.

It is a significant issue that prime agricultural land and the environs of a residential environment are not considered in the grant of an exploration licence for coal. It is time to re-weight the odds and give prime agricultural land a higher status; at least equal or better to coal.



These matters are not considered until well after the grant of an EL, years of exploration drilling and investigation and years of uncertainty have passed until eventually a development application is lodged and the matter transfers from the Dept Mineral Resources to the Dept Planning. By this stage after many millions of dollars have been expended and considerable encouragement by a host of government departments, it is very hard to imagine the authorities refusing a mining lease.

The time for consideration of these basic issues and the vital aspect of water resources is prior to the grant of an exploration license not after it.

It is my pleasure to support the hundreds of constituents of the Electorate of Upper Hunter, many of whom I already know or met through eMail communication on

this very matter and who are gathered in Macquarie Street outside the Parliament to express their strongly felt views.

I support those constituents and intend to support the Bill if it reaches consideration in the lower House and thereby join my Liberal and Nationals colleagues in so doing in their entirety in both Houses.

George Souris MP
State Member for Upper Hunter

School

I have lived in Gloucester for nearly two years with my wife Cathy and two small children, Conor, 7 and Thomas 5. We moved to Gloucester because amongst other reasons it represented a good healthy outdoor environment in which the boys could grow up and engage in lots of sporting activities. Unfortunately based on the research I have done, the advent of coal mining close to town may change this healthy environment; I refer below to some of this research.

From research done by the CSIRO, the rapid release and high concentration of acid gases with known adverse health effects from blasting in open-cut coal mining may pose a health risk. Numerical modelling indicated that toxic gas concentrations resulting from the blast would be indistinguishable from background levels at distances greater than about 5 km from the source; the border of one of the properties that has recently had coal exploration drilling take place is only 2.9km from the high school in Gloucester (per Google Earth). As a parent, it concerns me greatly that these gases and my kids could be meeting in the playground at school.

From research in the USA: "Residents of coal-mining communities have long complained of impaired health," Michael Hendryx, Ph.D., associate director of the WVU Institute for Health Policy Research in WVU's Community Medicine department, said. "This study substantiates their claims. Those residents are at an increased risk of developing chronic heart, lung and kidney diseases." "The incidence of mortality has been consistently higher in coal-mining areas for as long as Centers for Disease Control rates are available, back to 1979. Total mortality data for West Virginia suggests there are 313 excess deaths every year from coal-mining pollution."

According to news reports in the Sydney Morning Herald, Singleton-based doctor Tuan Au plans to finance his own study into the effects of coalmining and power generation on the health of the region's residents, after noticing a steady increase in the number of people with airways disease. (SMH, 13/4/2009)

From a NSW health factsheet titled 'Mine dust and you': "provided that mines are operated with proper dust controls, it is unlikely that healthy adult residents would

suffer any serious health effects from the expected exposure to particulate matter." This sentence does not fill me with confidence; what about children and the infirm? In addition, residents of Camberwell near Singleton have recently complained that the self assessment system - mines are responsible for policing their own dust emissions - is not effective in their area and they have requested that a compliance officer be appointed to enforce the regulations.

Am I anti mining? No. There are many benefits that can flow from appropriate mining activity. Should mining activities that emit hazardous substances take place close to residential areas and schools? No.

Should young Conor and Thomas be exposed to these toxic acid gases and coal dusts with uncertain health consequences? NO NO NO - not in my back yard.

Murray Pakes
Gloucester

Farms for Foreigners

Robin Besier wrote to the Foreign Investment Review Board and Wayne Swan because she felt that the encouragement of China becoming a major player in coal exploration, mining and land acquisition by the NSW State Government, should now be placed in the Federal arena.

I refer you to an article in The Land newspaper regarding the Chinese Government-owned mining company, China Shenhua Energy, which is offering to buy farming properties in the Watermark area of the Liverpool Plains, NSW at prices up to 300 per cent above current land values. Mr Ian Macdonald, State Minister for Mining and Primary Industries, gave approval for the company to explore for coal in that area. The company paid \$300 million for the licence.

In regards to the holding of real estate, whether it is in the city or country, what are the regulations regarding acquisition of land in Australia by a foreign company? How much in terms of dollars can a foreign company own? In another article in the Herald, Newcastle, a spokesman for China Shenhua told Chinese news agencies "that the Watermark project had 'undergone all regulatory procedures in Australia and would not meet any policy restrictions or uncertainties"'. Does this mean that they are also talking about the acquisition of the land as well?

After Rio Tinto's rejection of China Shenhua's offer earlier, isn't this the same thing, that it isn't in Australia's interests to have a foreign Government involved in Australian land and Australian companies acquisitions?

We live in Gloucester, NSW and two mines run by Gloucester Coal Limited have now been taken over by Osendo Pty Ltd, the wholly owned subsidiary Noble

Group, Hong Kong. Now that they have 87% ownership, what happens to the profits? I know they will go to shareholders and they are foreign, so where does Australia benefit apart from the royalties paid? We are now extremely concerned that another player in the field, Gloucester Resources Ltd, who has three exploration licences, one of which surrounds the township (2,500 people) will sell the land (\$10 million at present) it has acquired over the past six months to the Noble Group and we will eventually be wiped out with open cut coal mines.

This is what happens when a town is hoodwinked into being told that mines are good for jobs and the town will benefit. The town has benefited to some degree by donations and sponsorship from Gloucester Coal but now I very much doubt Gloucester will see any improvement with a foreign owned company at the helm. Gloucester was told 15 years ago that the Stratford mine would be a 'boutique' one and would only be operational until 2003. It is now planning expansions and will be here at least until 2030, that expansion will slowly creep towards our township and we will then have to deal with health problems and the loss of food producing land.

We need to put the brakes on here, otherwise we will not have a say in our own affairs in a few short years. This is becoming a very worrying trend, especially where coal is concerned. Are the Federal and State Governments wanting to get rid of all the coal as quickly as possible before it becomes a dirty four letter word? Many years ago, coal mining was thought to be in the more remote parts of our land where the only way towns would exist was if the mining company built them. They were mining towns. Now coal mining is taking away good land, land capable of producing quality food into the future. Townships which don't want to become mining towns are having health problems thrust upon them, and pristine areas and their rivers are becoming increasingly threatened.

Robin Besier
Forbesdale

Background Briefing

Last month an ABC radio program, Background Briefing, discussed the demise of a number of regional towns, mainly in NSW and Qld. They are dying a natural death except for a few that have had an amazing revival through mining. That's quite an over-simplification of what the program investigated but I was interested to hear how the program related to us here in Gloucester.

Firstly, unlike Gloucester, the revived towns had pretty much already been in their death throws. There is considerable activity in the now mining town but many mine workers don't actually live there – they drive in to work and drive out at shift's end, going back home to the coast or somewhere else they prefer to live. The miners

don't spend in town either; their money is spent where they live. In fact, they don't contribute much to the town at all, it's simply their workplace. Their social life is where they live.

Although there is now a worldwide downturn in the price of coal this situation will not continue forever. So, will these new mines offer employment? Answer: - not a lot. Mining machinery that's already in use in WA is ripping up the Pilbara with not a single worker on the machine. It is completely remotely operated from Perth! The ore from the mine is transported to port in driverless trains! Elsewhere there are underground coal mines with mining machines, designed by the CSIRO, that prop up the mine as they proceed with not a single worker at the coal face. That's great for worker safety, not so great for employment.

It may not be the case that unmanned machines or driverless trains would be used in a Gloucester mine, should a mine ever eventuate, but the new thinking is to extract the resource with as little manpower as possible being used. So when people tell you that 'A mine would be good for Gloucester - it brings jobs', ask them to imagine the brave new world of mining with not much more than a token drive in-drive out workforce and ask if that is 'good for Gloucester'.

Norm Sage
Waukivory

The Hunter - a Peephole to Future of Others

Source: Sydney Morning Herald 30 May 2009

Squeezed by the coal explosion, valley farmers are finding it harder to stay on the land. Debra Jopson reports.

On Glennies Creek Road off the New England Highway, a pastoral landscape is transformed as a bright-yellow cloud appears on the horizon toward Singleton, then spreads, laying a brown haze over adjacent hills.

Wendy Bowman, a farmer who has watched the mines carve more and more, year on year, into the Hunter Valley's rich soil, sources it to a blast at Integra's Camberwell open-cut coalmine. It's a fact of everyday life in Singleton and Muswellbrook shires, which Bowman says harbour Australia's greatest concentration of coalmines - about 30 within 600 square kilometres.

"There could be 12 of those blasts in the valley every day from here to Muswellbrook," says Bowman, president of Minewatch, which has tried for 18 years to curb the miners' impact on residents.

The miners have transformed Hunter topography. They have brought the guts of this rich earth to the surface, leaving bare rock heaps as high as the hills and stretching for kilometres.

You cannot see it from the highway, with its carefully planted lining of trees. The holes are visible only from the air.

But the mining lobby says the industry is regulated by 570 laws, monitors outcomes closely and extensively rehabilitates mined Hunter land. Sue-Ern Tan, of the NSW Minerals Council, says mining would welcome scientific investigation of health impacts.

Bowman says that when the coal price shot up, mines expanded, coating farms, villages and towns in dust, filling the air with gas and noise and mucking up the water supply. "What is it doing to the little children who are growing up here?", asks this grandmother, 75. Her group wants a government health study after its own survey found many residents blamed the mines for their coughs, asthma, allergies and even cancer. The Environmental Defenders' Office is interested in helping, she says.

Bowman tells of black Angus cattle turned grey when put on supposedly rehabilitated pasture, of coughing horses with blackened nostrils.

Thelma de Jong has lived in Camberwell for 31 years. Her daughter, Nikita, 21, moved to Singleton, convinced fallout from the Ashton mine, north of the village, worsens her skin allergies.

De Jong worries her grandson Bernie, 11, may also be affected. He experiences multiple infections from influenza. During the past school holidays, says de Jong, she and Bernie sneezed all night with allergies after bio-solids were added to a mine waste heap as part of site rehabilitation. She says her rainwater tank had to be cleaned after NSW Health condemned it for high aluminium and lead levels.

Bowman says she sold two properties to mining companies after their operations made farming too hard. The dairy factory, for example, stopped buying the milk because it contained dust. But she says her 190-hectare farm at Jerrys Plains will not be sold so that a ridge can be mined.

So many landholders have moved out. The mine companies keep some farms and let others go. Here and there, old farmers' houses can be seen falling apart.

Bowman says the Hunter was once a place where you could grow anything. "All we are trying to do is protect the food. Why lose it and have something where you can never grow anything again?"