

Office of the Independent Planning Commission NSW
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Sydney NSW 2000

My name is Catherine Murray and I am writing to oppose the Maxwell Underground Coal Mine Project.

My husband and I have been involved in the thoroughbred industry for ten years. We own, or have an ownership interest in, twenty five mares. We also have an ownership interest in two stallions standing at Coolmore.

Coolmore, as a global leader in the thoroughbred industry, we believe is the best place to board our mares. The exceptionally high calibre of their staff, who mostly work and live on the farm, and the willingness of Coolmore to continually provide education and training for them, ensures that our mares and foals have the very best care available.

Importantly we chose to board our mares at Coolmore for the outstanding agricultural land the farm is situated on. Quality soils and water enable our horses to grow on pasture ideally suited to their needs. This type of agricultural site is rare globally and it is of very real concern to us that this land and the resources on it could be threatened.

The Maxwell Underground coal mine project poses a very real threat to the viability of this outstanding agricultural land due to the long term damage posed to the water supply. We have already seen the potential dangers to the water supply posed during this most recent drought. A recent study by the BOM and CSIRO¹ tells us that climate change is already here meaning that crucial rainfall events will decline. Therefore, underground water and rivers will not replenish as quickly, if at all. The removal of extra water by the mine from these sources will cause even greater water shortages for nearby farms during dry times.

This increased threat to water fundamentally destroys the viability of agricultural pursuits and seems to be in direct contradiction to the NSW Government's stated aim to develop policy that allows for compatible land use between agriculture and mining.²

¹ https://www.abc.net.au/news/2020-11-13/bom-and-csiro-state-of-the-climate-2020/12871690?utm_source=abc_news_web&utm_medium=content_shared&utm_campaign=abc_news_we
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² Upper Hunter Strategic Regional Land Use Plan 2012

The second point I would like to make in opposition to the mine comes from my viewpoint as a concerned citizen of NSW. The establishment of this mine is a false hope for the mining workers of the Upper Hunter. It is well documented that the outlook for thermal coal is a negative one. The Maxwell Underground Mine proposes that 25% of production will be thermal coal suggesting that 25% of production will ultimately be unprofitable. It is therefore questionable that a mine that has 25% of its production as unprofitable can have a viable life of twenty six years.

Maxwell also proposes that 75% of production will be metallurgical coal. Already carbon free technology for steel production is advancing quickly and is expected to come online during the 2030's. If, as expected, alternative steel production methods do become available the Maxwell Underground Mine will essentially be redundant within five to ten years after set up.

Finally, employment and wages at the Maxwell mine do not add up. The average salary in the coal mining industry is \$130,000³. The forecast by Malabar is that they will be spending \$55 million on direct salaries for 350 workers giving an average salary of \$157,000. It does not appear credible that a complex mine development, without the economies of scale of larger miners, will be able to sustain the payment of that sort of average salary.

A report in *Mining Technology*⁴ (23rd January 2019) is cautious about the sustainability of jobs within the mining sector. We have already seen the effects of sharp drops in commodity prices and this will happen again leading to 'widespread unemployment, particularly in towns built up around mining operations'.

A further note of caution is expressed with regard to automation, still in its early days in the coal industry, however as 'automation and digitalisation take hold of the industry it will have an undoubtable effect upon employment rates, particularly for the miners, machinists and truck drivers who make up the bulk of employees'.

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<https://app.remplan.com.au/muswellbrook/economy/industries/employment?state=KLaJFA!Jwe7H978lu9a0mDH57M7ECwFQhB65CKXDXpsDPYPMtYhD4T3hKSEZeHW0Z>
<https://app.remplan.com.au/muswellbrook/economy/industries/wages-salaries?state=KLaJFA!Jwe7H978lu9a0mDH57M7ECwFQhB65CKXDXpsDPYPMtYhD4T3hKSEZeHW0Z>

⁴ <https://www.mining-technology.com/features/mining-jobs-in-australia/>

The CFMEU argues that this trend toward automisation coupled with the use of labour hire workers means that 'workers will be treated as disposable and afforded little protection'.⁵ Increasingly the revenue share paid in wages to workers is diminishing and 'a growing share of total wealth generated in the industry is going to the industry owners'.⁶ To further reduce the cost of wages owners are using contract workers who can come from anywhere and cost up to 50% less. They also do not enjoy the rights and conditions of full time employees. The coal industry is in a state of transition. Mine owners are endeavouring to suck the last of available land dry at the expense of communities. Governments are heavily dependent on royalties and are blind to the need to reinvest in alternative industries. Agriculture and mine workers should not have to bear the economic burden as a result of mine owner greed and government inaction.

'At some point demand for our coal exports will collapse. If we don't start preparing now, the consequences for coal communities will be dire'.⁷

Kind regards

Catherine Murray

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https://me.cfmeu.org.au/sites/me.cfmeu.org.au/files/uploads/ResearchSubs/AutomationDiscussionPaper_LR.pdf

⁶ <https://www.tai.org.au/sites/default/files/P881%20Getting%20Off%20Coal%20%5BWEB%5D.pdf>

⁷ <https://theconversation.com/45-000-renewables-jobs-are-australias-for-the-taking-but-how-many-will-go-to-coal-workers-141531>