



The Commissioners
Independent Planning Commission NSW
Level 3, 201 Elizabeth St,
Sydney, NSW 2000

Address to Public Meeting in Muswellbrook 4th July, 2018

Mount Pleasant MOD 3. Application

Dear Commissioners,

On behalf of our members and the Muswellbrook business community, I thank you for the opportunity to address this meeting.

In July last year the Chamber made a submission to the Department of Planning & Environment supporting the Mount Pleasant MOD 3. Application and our position has not changed.

We note the Commission's request for today's presentations to be more than a restatement of earlier submissions and we are happy to comply.

Since July last year we have had the benefit of witnessing the substantial progress made with the construction of infrastructure at the Mount Pleasant site and the commencement of mining operations. We have also had the opportunity to experience the social and economic impacts and benefits flowing from the project to our local economy. Today, I would like to touch on some of those impacts.

Several years ago, in the aftermath of the mining downturn, Muswellbrook had almost 300 empty houses, depressed property values and slowed economic activity. Since the return of coal prices to sustainable levels and the commencement of works at Mount Pleasant, we have seen a substantial uplift in the local economy. Today stock of property for sale is back to normal levels with increased values, hotels & motels are experiencing high occupancy rates and it is very difficult to find a rental property in Muswellbrook. There are a number of factors influencing the market but the Mount Pleasant project has made a considerable contribution. With MACH Energy investing almost \$600m there has got to be substantial spin off for the local region.

Employment on site of over 250 people now and the prospect of the ongoing workforce of 380 operational workers plus up to 350 part time construction workers is only the 'tip of the iceberg'. When one looks at a multiplier of 2:1 or possible 3:1 we expect that the employment impact is in excess of 1000 jobs.

In addition to the jobs created, MACH Energy has continued the tradition of community contributions established by the previous owners Coal & Allied. In 2018 MACH has reported that they have made contributions to 20 community based organisations in Muswellbrook, Aberdeen & Denman. These include education, sporting and not-for-profit organisations and the total contribution is \$300,000. MACH have advised that this figure will increase to more than \$400,000 in the 2019/2020 financial year. The Chamber welcomes this commitment and encourages MACH Energy to formalise sponsorship agreements with Community Groups to ensure certainty for the life of this Modification period and the ultimate life of the mine.

The Chamber notes that MACH Energy has been making, and will continue to make substantial contributions to Muswellbrook Shire Council under Voluntary Planning Agreements for roads, environmental management and community services. To date these contributions total over \$1.3m.

The Chamber agrees with the DPE's recommendations for acceptance of existing conditions of consent as well as some additional conditions to address the current circumstances. In particular we support the recommendation that MACH make contributions towards the upgrade and maintenance of Thomas Mitchell Drive as referenced in the DPE Assessment Section 5.6 Table 2. This condition would be similar in terms to conditions in other consents that require proportionate contributions from other mines.

MACH Energy has established close contact with local businesses through the Chamber and other networks. The Chamber has hosted several functions where local businesses are informed of the project details with opportunities to supply goods and services to MACH and its range of Contractors and sub-contractors. Business benefits have flowed to local suppliers of concrete,

signage, water cartage, steel & hardware, fuel, crane & equipment hire, printing, catering, uniforms, surveying, plumbing & drainage, promotional materials, web development, IT support and others. These are some of the direct benefits to local businesses. In addition, of course there are the indirect benefits that flow to the retail, professional services, hospitality & tourism sectors that see the positive impacts of the increased workforce and resident population. The Chamber welcomes these economic inputs and is confident that MACH Energy and its contractors will continue to utilise local labour and local suppliers, where ever possible, through the entire life of the mine.

The DPE Assessment states that-

“The Department is satisfied that the proposed modification would provide significant socio-economic benefits to the local region and the wider community of NSW through the continued employment of staff and generation of coal royalties over the extended six (6) year period. The Department considers that the proposed modification is unlikely to significantly impact on surrounding industries, above and beyond what is already approved. However, it also acknowledges that the extending the life of the consent would prolong the period of approved impacts.”

The Chamber agrees with this and would add that the extended six (6) year period will give MACH Energy and all interested parties the opportunity to monitor performance of the operation in full production. It also allows time for the development of a proposal for the full recovery of the resource with conditions consistent with current approval requirements.

The Chamber is hopeful that all stakeholders in this process will grasp the opportunity to work collaboratively. There is ample evidence of our very diverse region becoming even more diverse, with much work being done on alternative productive uses of rehabilitated land, new energy industries, intensive agriculture, and expansion of education institutions and capability. There is also ample evidence over decades of diverse industries co-existing and, in recent times, working together for the common good. In the Upper Hunter the mining industry has encouraged other industries and gone beyond regulatory requirements to support diversity in our region. This process will take decades to establish and develop alternative industries that will sustain the population that the mining industry has fostered. MACH Energy is part of this process and has indicated its intention to continue.

In conclusion, I would add that the Chamber is not only interested in dollars and cents. Our members are part of the community and are mindful of the need to have sustainable employment for ourselves and our children. Local families are largely reliant on mining to sustain their way of life, either directly or indirectly. The Mount Pleasant Project has become part of the local community and we support its continuation.

Mike Kelly

President

Muswellbrook Chamber of Commerce & Industry