

Robert McLaughlin

I strongly object to the United Wambo project.

In the past, mines in the Hunter Valley, particularly in the Singleton LGA have always been approved because of the threat of loss of mining jobs. The approval of United Wambo would be delaying the inevitable with great cost to nearby towns, the environment and the regional economy.

More than 5000 jobs and \$705 million in wages will be lost from the Hunter without investment in new employment and industries over the next two decades, we need to transform the Hunter's economy away from reliance on coal.

A report by Neil Perry (University of Western Sydney, Senior Research Lecturer on Corporate Social Responsibility and Sustainability), "[Weathering the Storm: The case for transformation in the Hunter Valley](#)", models the effect on the Hunter's economy of a 55 per cent contraction of the coal mining industry by 2040.

It argues the Hunter's economic future is "intimately bound up with global efforts to prevent dangerous climate change."

Coal mining contributes 58 per cent of the economic output of the Singleton and Muswellbrook shires. But economic output is just that...output to areas outside Muswellbrook & Singleton. You only have to see the vacant businesses and homes in both these towns to realise that money earned in the mines here is spent elsewhere. Most people who work in the mines live and spend their money in either Maitland or Newcastle. What has decades of mining done to enhance and develop these towns? It has however, meant the demise of a number of small towns in these areas.

The threat of jobs losses in mining is not dependent on whether a mine is approved or not. Singleton is vulnerable to changes in coal demand and markets.

While surges in the thermal coal price can produce the equivalent of an economic sugar hit to the regional economy, the effects of a slight downturn are also felt far more acutely within the local economy than at a state or national level.

Economists are now concerned about the ongoing effect that the mining industry's infamous 'boom-bust' cycle is having on regional economic sustainability.

A House of Representatives committee hearing recently held in Singleton was told the Hunter's exposure to the industry produced marked differences in economic trends in the Hunter compared to NSW.

Hunter Research Foundation lead economist Anthea Bill told the hearing that a decline in global coal prices to about US\$56 a tonne saw a 15 per cent decline in employment in the Hunter Region between September 2013 and March 2015.

This decline compared to a 1.1 per cent increase in employment across the state.

The bust phase was followed by a recovery phase – From March 2015 to July 2018 there was 20 per cent growth in employment in the Hunter balance verses 10 per cent in the state overall.

The hearing was held a week before 388 workers at Muswellbrook's Mount Pleasant coal mine were sacked on December 21. Nothing was said in the media though because mining companies use jobs as a reason to gain approval for mines.

We need our politicians to be upfront with the public and to provide support to start diversifying the economy now and for governments to provide substantial financial support to affected communities. We must not approve another mine. We must diversify our economy. If we fail to do so, it will be at our peril.

We need a plan to diversify the Hunter and prepare for coal's decline, not approve any more mines. This is the only path that can protect the Hunter, its workers and communities.

We need to ensure mine site rehabilitation takes place and there is a review of all exploration and mining titles and the cancellation of titles that deter investment in sustainable rural industries.

Proactive transition process would result in the creation of 595 more jobs than would be lost from coal mining in the same period. At the same time, local wages and salaries would increase by \$315 million in 2040.

This scenario would require significant diversification through building on the region's existing strengths in the agriculture, wine-tourism and manufacturing industries.

It would also capitalise on the strong skills base of machinery operators and drivers, technicians and trade workers.

In order to achieve this best case scenario an independent transition process to ensure resources are invested in the public interest to aid transition in both the electricity and mining sectors; support and subsidies for renewable energy growth industries; support for the development of an environmentally responsible container terminal; collaboration between the state government and mining companies to ensure investment in renewable energy and to ensure mine site rehabilitation takes place; a review of all exploration and mining titles and the cancellation of titles that deter investment in sustainable rural industries. No more mining approvals in the Hunter Valley.

Hunter Research Foundation director Will Rifkin has said "attempts to predict future boom and bust cycles had resulted in over and under investment in key infrastructure projects." It was also noted that in the Singleton and Muswellbrook areas, "You see, in youth unemployment, a much more volatile rate of unemployment: youth unemployment goes up and down much more dramatically."

The prospect of lucrative mining industry jobs was a contributing factor to areas like the Hunter having fewer people in the 25-34 year-old age bracket with university degrees or specialised training in other fields. This scenario has long-term implications for the transition of people from the mining sector to other types of business when the mining industry goes into decline.

There are also definite economic effects of land use and conflicts between mining, equine and viticulture industries.

Our community has been calling for a plan to diversify the Hunter and prepare for coal's decline for years now. We can protect the Hunter, its workers and communities if we are given the chance. We can't do this however if mines such as United Wambo gain approval.

I strongly object to the United Wambo project