

# Dartbrook Mine

## MOD 7

### Social impact assessment review

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# Purpose of the review



This review of the SIA for the Dartbrook Mine MOD 7 proposal to NSW Department of Environment and Planning was commissioned by Friends of the Upper Hunter Inc.



The report provides an independent, expert assessment of the relevance and quality of the SIA completed for the Dartbrook Mine MOD 7 proposal, as compared to:

\*NSW DPE SIA Guidelines (2017)

\*International Association for Impact Assessment's (IAIA) 'Guidance for assessing and managing the social impacts of projects (2015), the leading global standard for SIA

\*IAIA International Principles for SIA, 2003.

# Key findings



The SIA completed meets the very minimum requirements for SIA as a component of EIA.



The SIA does not meet **best practice**, as described by NSW DPE SIA Guideline (2017).



The SIA does not meet **best practice**, as described by the IAIA Guidance for assessing and managing the social impacts of projects (2015).



The SIA is not aligned with Principle 2 of the IAIA Principles for SIA (2003).

# Key findings (cont.)



The EIA describes the level of stakeholder engagement completed as 'extensive' (p.53). The stakeholder engagement reported does not represent 'extensive' engagement.



The SIA does not assess priority community concerns, as expressed in objections and community documents, that the reopening and modification of the Dartbrook Mine is not in the expressed interests of the Upper Hunter vision for local communities futures.



The SIA is based on an assumption of minimal change/impact. Available evidence suggests that this assumption does not reflect current views in the community.



The SIA fails to account for major social trends and changes in the community/region over the past 13 years. It provides only limited advice on cumulative impacts and fails to address 'linked' impacts, as defined in the DPE Guidelines.

# Best practice SIA

Best practice SIA goes ‘beyond compliance’:

“The focus of concern of SIA is a proactive stance to development and better development outcomes, not just the identification or amelioration of negative or unintended outcomes. Assisting communities and other stakeholders to identify development goals, and ensuring that positive outcomes are maximised, can be more important than minimising harm from negative impacts”

~International Association for Impact Assessment  
Principle 2, 2003

## BEST PRACTICE

Include scoping report with EIA (NSW DPE 2017).

Complete thorough stakeholder mapping (NSW DPE 2017; IAIA 2015).

Align level of stakeholder engagement with level of perceived impact, based on good scoping (NSW DPE 2017; IAIA 2015).

Stakeholder engagement activities provide opportunities for meaningful participation and serious consideration of stakeholders' concerns and interests (NSW DPE 2017; IAIA 2015).

## DARTBROOK MINE MOD7

No scoping report provided.

Minimal/no mapping completed; Engagement based on outdated, limited community networks (e.g. CCC).

The breadth and depth of engagement undertaken is not sufficient to deliver an accurate depiction of current, priority community concerns, trends or change processes.

The stakeholder engagement activities undertaken were cursory and did not provide sufficient opportunities for meaningful engagement that would suggest that stakeholders' concerns were seriously considered.

# Comparison:

Best practice guidance  
vs  
Dartbrook Mine MOD7  
report (incl. SIA)

## BEST PRACTICE

Consideration of cumulative impacts (DPE 2017; IAIA 2015).

Current understanding of priority community concerns and requirements, including social trends and social change (DPE 2017; IAIA 2015).

SIA is an integrated component of assessments, regardless of regulatory requirements (IAIA 2015).

## DARTBROOK MINE MOD7

Information provides only limited cumulative impact advice, and does not advise on 'linked' impacts.

The SIA is based on an outdated assumption about communities' attitudes to the mine, which appear to have changed in the past 13 years.

No SIA delivered with original main report document meaning no opportunity for community comment on social impacts. SIA delivered later, upon request from DPE (30/7/2018 letter from Mr Howard Reed), after exhibition period had closed.

# Comparison:

Best practice guidance  
vs  
Dartbrook Mine MOD7  
report (incl. SIA)

# Detailed comments: Scoping

- Scoping is usually completed by the project applicant and will inform the expression of interest (EoI) or request for tender (RfT) used to select the social impact assessor.
- Thorough scoping is critical to achieving a relevant and high quality SIA (IAIA, 2015).
- In this instance, the scoping completed for the Dartbrook Mine MOD7 proposal appears inadequate.
- Poor scoping should not be a negative reflection on the social impact assessor. The assessor can only deliver a SIA within the boundaries set out by her/his client.

# Detailed comments: Faulty assumptions

- The SIA is based on the assumption that the change rendered by the re-opening and modification of the Dartbrook Mine is minimal.
- This assumption seems unfounded. The mine has not operated since 2006. It has now been under 'care and maintenance' for approximately 13 years. Re-opening and modifying the mine is a considerable change and not one to be taken lightly.
- The assumption that the change would be minimal also appears at odds with community understanding, as evidenced in submissions.
- A change of this nature requires far more extensive community engagement.

# Details: Stakeholder engagement

- The stakeholder engagement completed for the SIA represents a minimum level of required engagement, with a limited set of stakeholders.
- The engagement detailed in the SIA does not meet the aims or intention of the EP&A Act, especially 1.3(j): “to provide increased opportunity for community participation in environmental planning and assessment.”
- The majority of engagement appears to have occurred primarily via ‘inform’ methods, such as community newsletters. No publicly advertised consultation beyond the mandatory EIS display conducted by DPE appears to have occurred. The EIS display did not include the SIA, as this was delivered *post-hoc*.
- It is inappropriate to conclude that a lack of response to such ‘inform’ methods indicates a lack of community concern or serves as a proxy for community consent to the proposal.
- The limited engagement means that issues prioritised in the SIA (e.g. local labor force) may not reflect actual, priority community needs or interests. Any cost-benefit analyses are based on incomplete understanding and therefore not reliable.

# Detailed comments: Failure to identify and address priority community concerns

- The SIA focuses primarily on local employment issues.
- But this focus is based on limited scoping and faulty assumptions.
- This means that the SIA is unable to identify or address priority community concerns, including perceived impacts and cumulative 'linked' impacts.
- Public submissions support this conclusion. The submissions identify a range of issues which deserve much more extensive and thorough engagement for any determination as to trade-offs or costs-benefits to be made. For instance, submissions' concerns about the health impacts of particulate pollution are not acknowledged or addressed.

# Detailed comments: Failure to recognise community trends and change processes

- The SIA fails to consider intra- and intergenerational equity and the strong agricultural identity and heritage of the Upper Hunter.
- The SIA fails to consider social trends and changes in local communities and the region, including regional strategies and community plans for a move away from coal mining towards more sustainable and environmentally friendly industries.
- A February 2019 judgement in NSW Land and Environment Court refusing the opening of a new coal mine near Gloucester was taken primarily on social impact and climate change grounds.
- This judgment reflects changing local and national sentiment which must be considered to gain a clear understanding of the current social context and potential social impacts of the proposed Dartbrook Mine MOD7.

# Detailed comments: Use of selective evidence

- The SIA's limited stakeholder engagement combined with the use of selective sources and figures without context harms the reliability of its arguments to support the Dartbrook Mine MOD 7 application.
- Statements such as 'the Australian Chief Economist has identified 286 advanced technology coal fired power stations that are planned or under construction around the world' need context (see, next slide).
- The Australian Chief Scientist has reported that global figures for coal plants underway differ according to source and argues that, as of late 2017, the figure is "far less than was projected a year ago" (AAP, 2017).
- It is unclear to which year's IEA World Energy Outlook the SIA report refers. The IEA's most recent 2018 WEO revised global coal demand in 2040 downward "by some 3% compared with last year's outlook" (IEA, WEO 2018).

See: Jotzo, Mazouz and Wiseman, 2018. 'Coal transitions in Australia: Preparing for the looming domestic coal phase-out and falling export demand'; Sartor, IDDRI, 2018. 'Implementing coal transitions: Insights from case studies of major coal-consuming economies: A summary report of the Coal Transitions project'. International Energy Agency, 2018. World Energy Outlook. AAP, 2017. 'Finkel challenges figures on coal growth'.

# Detailed comments: Coal export demands

- The SIA's response to submissions suggests that the need for coal exports "is difficult to argue against". This is disingenuous. As the report itself states, "different stakeholders may cite different sources". The sources cited in the SIA are one-sided and include groups known for climate change denialist stances and 'junk' science (Readfern, 2017).
- Substantial and very reliable counter-evidence exists to suggest that global coal consumption will go into reverse by the early 2020s, as early as next year (Sartor, IDDRI, 2018; Jotzo et al, 2018).
- Global coal demand declined in three of the past four years to 2018 (Sartor, IDDRI, 2018).
- In 2017, for the first time ever, global coal demand was projected to remain flat until 2020. 2020 demand is now estimated to be 1 billion tonnes (coal equivalent) lower than 2013 predictions (Sartor, IDDRI, 2018).
- Thirty-six governments and 28 major firms worldwide are now committed to phasing out coal from their power sectors by 2030 (Sartor, IDDRI, 2018).
- Major markets for Australian coal, including China and India, are already curbing use (Jotzo et al, 2018).
- Leading economists state that there is "a negative long-term outlook for coal and a lot of uncertainty" (Jotzo and Mazouz, 2018).

See: Jotzo, Mazouz and Wiseman, 2018. 'Coal transitions in Australia: Preparing for the looming domestic coal phase-out and falling export demand'; Sartor, IDDRI, 2018. 'Implementing coal transitions: Insights from case studies of major coal-consuming economies: A summary report of the Coal Transitions project'. Jotzo and Mazouz, 2018. 'Coal does not have an economic future in Australia', *The Conversation*, 6 September. Readfern, 2017. 'Why the IPA's claim global warming is natural is "junk science"', In: *The Guardian*, 25 August.

# Conclusion: SIA findings not reliable

- The findings of this SIA are not a reliable depiction of current community perceptions of or concerns about the proposed Dartbrook Mine re-opening or modification.
- In order to more reliably reflect current community interests, a SIA for this project would involve:
  - appropriate scoping (and a scoping report);
  - engagement of a broader range of stakeholders;
  - more meaningful and robust engagement methods;
  - consideration of linked cumulative impacts;
  - fairer and more robust engagement of research evidence, especially regarding the coal industry and climate change; and
  - exploration of community trends and change processes, including communities' future visions and concerns about climate change.

# About this review

## Documents reviewed:

- Dartbrook Mine MOD 7 Environmental Assessment Main Report
- Dartbrook Mine MOD 7 Response to submissions (including SIA, Appendix C)
- Dartbrook Mine MOD7 Economic Impact Assessment (Appendix 1)
- Dartbrook Coal Mine MOD 7 Bord and Pillar Mining: Section 75W modification (DA-231-7-2000 MOD7), NSW DPE, 2019
- AuScript Independent Planning Commission transcript, dated 2/18/2019
- NSW DPE letter to APC, dated 30/7/2018
- Public submissions to the DA-231-7-2000 MOD7 Major Projects Assessment
- Upper Hunter Shire Council Sustainability Action Plan, 2017-2021
- Hunter Regional Plan 2036

## Guidelines referenced:

- NSW DPE Social impact assessment guideline, 2017
- IAIA Social impact assessment: Guidance for assessing and managing the social impacts of projects, 2015
- IAIA International principles for social impact assessment, 2003

# About the author

- This report reflects the expert opinion of Dr Sara Bice. She is an internationally recognized authority on SIA. She is President, IAIA. Dr Bice is Associate Professor, Crawford School of Public Policy, the Australian National University, where she also holds a Vice-Chancellor's Futures Scheme Fellowship. She has completed social impact assessments and social research throughout the Asia-Pacific, West Africa and in remote and indigenous Australia. In 2011 she facilitated the Upper Hunter Mining Dialogue.
- The report is delivered in Dr Bice's capacity as an independent expert. It does not represent the views of her employer or any organization with which she is formally affiliated.