

Who benefits?

Bowdens Mining Project

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The DPE Key Assessment Issues

The following is an extract from NSW Department of Planning & Environment (DPE), “Bowdens Silver Project – State Significant Development Assessment SSD 5765” December 2022 Executive Summary – page iv.

“The Department considers the key assessment issues relate to impacts to water resources, amenity and health impacts, traffic, social impacts on the local community, and biodiversity, along with the economic benefits of the project to the local and regional economy. There are also other important impacts to consider, including impacts on Aboriginal cultural heritage and historic heritage, agriculture, along with hazards and risks and greenhouse gas emissions”.

“The Department’s assessment has been informed by expert advice from Government agencies and five different independent experts in the fields of groundwater, surface water and acid mine drainage, health, social impacts, and economics”.

The DPE is right to describe the key assessment issues and the impacts that the project will have on “water resources, amenity and health impacts, traffic, social impacts on the local community, and biodiversity” and further “including impacts on Aboriginal cultural heritage and historic heritage, agriculture, along with hazards and risks and greenhouse gas emissions”.

Any dictionary will define *impact* as “a marked effect or influence” and as such the DPE has been prudent by stating their objective of giving consideration to the “*impacts*” that this project would cause.

It is with particular interest that I note that they do not apply the same objective when considering the issue of “*economics*” but rather state “along with the economic benefits of the project”. What happened to considering the *impact* on “*economics*”?

They state on page vii of their assessment.

“The project would have economic benefits for Australia, NSW and the local community. Around 210 employees would be directly employed during operations and 131 people during construction. The project would invest in the order of \$310 million in capital, contribute company and payroll taxes and royalties to the Commonwealth and State governments, and make direct contributions towards local community infrastructure through the VPA. It would also generate a range of flow-on economic benefits”.

And on page viii

“The Department considers that the project would result in considerable economic benefits to the region and to the State of NSW through employment (up to 131 construction and up to 210 operational jobs) and royalties”.

The DPE assessment does not consider the potential *impact* to the Visitor Economy and therefore how can the DPE possibly determine that the project “*would result in considerable economic benefits*”.

Further, on page 73 Paragraph 459 of the DPE Assessment Report

“The EIS includes an economics assessment undertaken by Gillespie Economics (Gillespie) that includes a cost benefit analysis (CBA) of the project. The CBA indicates that the project would have a net production benefit to the Australian economy of \$89 million (net present value²²) and to the NSW economy of around \$44 million”.

Gillespie state within their report that there will be “*no material impact*” to other Industry (it is assumed that this includes Tourism / Visitor Economy – as Tourism receives no mention). This claim is not supported by any expert opinion or by any research. This statement is disturbingly accepted by the DPE. What is more disturbing, is that the DPE has clearly ignored the significance to the local economy that Tourism provides. The NSW Government and therefore the DPE would have ready access to information pertaining to the economic contribution that Tourism brings to the Mudgee region. The Government’s own agency - NSW Destination NSW, would have been an obvious place to start. An assessment and determination of the “*impact*” that this project will have on Tourism is surely a minimum requirement to determine the “*net*” economic benefit to the local region and to the State of NSW.

Without the benefit of such input the DPE accepts the Gillespie report and the Cost Benefit Analysis within and concludes that the NSW economy will benefit by “around \$44 million”.

Allow me to repeat, \$44 million to the ECONOMY of NSW. The DPE describe this as considerable (definition: *notably large in size*). The current Gross Domestic Product of NSW is around \$693 Billion per annum. Why has the DPE chosen to exaggerate? Why has the DPE chosen not to question or examine the net benefit of the project?

Further the DPE have clearly ignored the advice of their own Consultant when it comes to the number of jobs that this project create. Their own consultant says that a maximum of 3% (6 jobs in total) of the total jobs on offer will come from outside of those that are currently employed by the broader Mining Industry. Why are 6 jobs and an arguable \$44m economic boost worth more than our current opportunities around Tourism?

The DPE have lost the confidence of many in our local community.

The DPE Consent Conditions

The following is an extract from the DPE Consent Conditions

PART B OPERATIONS SPECIFIC ENVIRONMENTAL CONDITIONS - page 27

SOCIAL B83. The Applicant must prepare a Social Impact Management Plan for the development to the satisfaction of the Planning Secretary. This plan must: be prepared by suitably qualified and experienced person/s; be developed in consultation with Council, the CCC and affected stakeholders (including residents of Lue and surrounds), to the greatest extent practicable; include a summary of the social baseline and assessment of social impacts and risks, including the social impact ratings; include a Stakeholder Engagement Framework including details about communications with relevant stakeholders, including local services providers and particularly focused on Lue and the surrounding community; describe the measures that would be implemented to enhance positive social impacts from the development, including details of the

community investment program; describe the measures that would be implemented to manage and mitigate negative social impacts, including: blood lead level monitoring and tracking over time; impacts to near neighbours; broader community cohesion; a workforce accommodation strategy; a local businesses and services strategy; and during post-closure or care-and-maintenance periods; and include a program to monitor, review and report on the effectiveness of these measures including: identifying performance indicators, incorporating trigger-action-response-plan; a three-yearly independent survey of the attitudes of the community about the development; procedures for analysing and comparing the results of monitoring and surveys against the predicted social impacts and results of previous monitoring and surveys; adaptive strategies throughout the project lifecycle (planning, construction, operation, closure); and undertaking additional research, if necessary, to address new or changed social risks and impacts.

B84. The Applicant must not commence construction of the development until the Social Impact Management Plan is approved by the Planning Secretary:

B85. The Applicant must implement the approved Social Impact Management Plan

The above requirement raises significant concerns. The approval of the plan is at the sole discretion of the Planning Secretary and “*be developed in consultation with Council, the CCC and affected stakeholders (including residents of Lue and surrounds), to the greatest extent practicable*”.

Is “greatest extent practicable” determined by the proponent? How is this measured?

This consent condition and many of the others are considered by many in the community as not being stringent enough.

I would ask the Commissioners to consider how this would play out. Are there to be forums, meetings, workshops?

Will the community, who have expressed many concerns, regarding the threat of social impact be treated equitably in the development of a Social Impact Management Plan? Will the community have a true voice? How will this be ensured?

This is a particular concern when the Managing Director of Silver Mines Ltd, Mr. Anthony McClure stated in his address to the hearing (morning of 15th February 2023):

“However personally, I am concerned and disappointed to see the distribution of false and misleading information in the local communities. There are a few supposed leaders

in the community who have continued to disseminate such material”. (Presentation available on the IPC website).

Further, it was reported by the ABC that he said, in response to concerns that were being raised about the impact of the mine on Tourism that it was “scaremongering”.

Not the sort of attitude that supports a collaborative development of any plan.