2011 / ISSUE 3

EDITORIAL

Mining - losing its place in the sun?

Locked gates, queues for our coal, open slather for anyone with a spade? Jeff Angel ponders the future of the mining industry in this wide brown land...

As farmers lock the gates to protect agriculture; environmentalists campaign to stop open cut and coal seam gas mining in bushland; city residents contemplate gas rigs in their suburb; and independent MPs bargain to constrain the carbon resources boom - mining is battling to retain its preeminence in our social and economic landscape.

Mining has had a privileged position in land use and policy decisions for many decades. This was based on the perceived importance of minerals to the productive capacity of the economy, and our society's standard of living. Today the industry and its advertising are again echoing those basic values.

This privilege was retained while it could show delivery of those benefits did not harm other fundamental industry, community and environmental values.

The first major challenge to the industry's power and extent came from the environmental movement in the years after the 1960s, when major battles broke out along the coast where sand mining was underway and with uranium mining in the nation's north.

Industry responded with new environmental management regimes and partnerships. However, in some cases governments decided to ban mining to protect conservation values, overturning the traditional mining veto over proposed national parks.

Industry took the latter move hard and claimed loss of jobs and income to the economy as well threatening a capital strike ('you won't be attractive to investors if you stop us'). Some would even suggest they would pack up and leave

Australia. We saw such rhetoric in the recent controversy about the super profits mining tax.

There is a certain arrogance in the mining culture, which has been emboldened by years of privilege.

Now in New South Wales, coal and gas mining are under attack because of the vast extent of the future industry and the threat to two crucial activities - farming, and environmental services such as water supply. The same arguments are being proffered in defense: financial gain to the community and government; full blown commitments to quality environmental performance; and a belief that harmony can be achieved. And a new theme from the gas industry that it is a transitional fuel to the low carbon future where greenhouse gases pose far less threat to the earth's climate.

What have we learned from past conflicts? In 1994 a report prepared by the Coal Resources Development Committee (whose members comprised NSW Government departments, the coal industry and an energy provider) predicted that the state would face a "serious shortage of economically mineable coal in the future".

Their problem list included urban expansion around the foreshores of Lake Macquarie; subsidence impacts upon floodprone land; intense open cut mining close to Hunter Valley towns and on prime agricultural land in Gunnedah; mining in Sydney's water supply catchment; urban expansion around Campbelltown and Camden; and the threat of a proposed National Park in the western coalfield.

Coexistence and new environmental controls were supposed to have the answer. So what's happened?

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Published by **Total Environment Centre Inc** Suite 2, Level 1, 89 Jones Street, Ultimo. 2007

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The Politics of Melts and Flows

TEC's efforts to revive our rivers have seen some mixed developments recently, reports Leigh Martin.

There has been some encouraging progress in the long campaign to restore environmental flows to the Snowy River.

In early October a major release of 84 gigalitres from Jindabyne Dam occurred. The purpose of this release was to mimic spring snow melt and boosted Snowy River flows to their highest level since the completion of Jindabyne Dam. Increased spring flows are vital to restoring the health of the river, and scouring accumulated sediment from the river channel.

Despite this welcome progress, the process of restoring flows to 28% of pre-Jindabine Dam levels is still years behind schedule. There are also several other areas where urgent action is required.

Environmental flows for the Upper Snowy and other montane rivers are lagging years behind schedule. Restoring flows to these rivers is vital in improving the health of alpine environments and reducing the environmental impact of the Snowy scheme.

The Snowy continues to be cut off from its tributary, the Mowamba River by The Mowamba Weir diversion. This diversion needs to be decommissioned to provide the Snowy with a natural, montane headwater.

Delays by the NSW Government in reappointing the Snowy Scientific Committee are deeply disturbing. The Committee has a vital role in providing independent scientific advice on the environmental health of the Snowy River and the program to restore flows. The

Committee's first three-year term expired in May but it has still not been re-appointed.

Desal whether you want it or not

The Independent Pricing and Regulatory Tribunal (IPART) is currently conducting reviews into prices for Sydney Water and the Sydney Desalination Plant. A key issue is the operating rules for the desalination plant. Current rules included a so-called 70/80 trigger.

Under this rule the desalination plant is switched on when catchment levels fall below 70% and switched off when they reach 80%. The effect of this rule will be to see the plant in almost continuous operation.

The plant was originally intended as an emergency drought supply. In fact it was not to be built unless catchment levels fell to 30%. This level was never reached, however the previous state government decided to build the plant anyway. As the most expensive source of water, with significant environmental costs, the desalination plant should only be used as an emergency supply.

TEC has been advocating a 30/40 trigger that would see the plant switched on if catchment levels fall to 30% (severe drought) and switched off once levels recover to 40%. It appears, however that the new state government wishes to lock in place the 70/80 trigger to artificially inflate the value of the plant ahead of a planned privitisation. The result will be higher water bills and increased environmental impact.

In 2011 damaging underground mining is taking place around the foreshores of Lake Macquarie. Creek diversions, tainted tank water, proposals to erase entire villages and giant pits that are collectively visible from space are driving Hunter Valley and Mudgee farmers from the land. There is community outcry over serious health impacts from mine dust in towns like Singleton and Muswellbrook. Farming communities on the Liverpool Plains are taking unprecedented action as foreign coal interests buy up farms in a region the coal industry calls the "new frontier".

South of Sydney the bedrock of rivers and swamps across the city's water supply catchment are being systematically cracked, drained and polluted, while to the north-west across the Blue Mountains a decision must be made as to whether 1100 hectares of old growth forest will become a national park or an open cut coal mine.

This time we need to learn the lessons from past conflicts and avoid damaging cumulative impacts.

We are not there yet as exploration permits have been granted pre-empting balanced land use and energy planning. The future environmental, agricultural and rural fundamentals of major NSW regions are under severe attack. Land use and energy policy are being written by exploration permits and case by case mine development decisions. The suggestion that coal seam gas is a 'transitional fuel', meaning it will phase out as quickly as possible to make way for zero emission energy generation, is unconvincing. In fact the gas industry actively casts doubt on wind farms and other renewables, seeking to retard their progress.

The recently elected New South Wales government says it is committed to strategic land use planning; stricter environmental controls and where appropriate, the exclusion of mining. Intensive work is underway inside government by several agencies and a large stakeholder advisory group is being consulted. Decisions on a land use framework and the most urgent regions are expected early in 2012. Nevertheless farming and environment representatives are unhappy with the process.

This time, real gains need to be made in protecting environmental and agricultural values and balance restored. Otherwise the social license to operate won't exist for the mining industry. Nor will government decisions be accorded community and political credibility and respect.

This is an abridged version of the report, 'NSW: fossil or balanced future?' available at www.tec.org.au

Jeff Angel, Executive Director

POCKET BOTTLE ROCKET!

TEC's tireless Waste Campaigner, Lisa Wriley, and her saucy alter ego Bev the Bottle have been at it again, hobnobbing with pollies, popping up at public bubblers, and conducting singalongs in schools...

Bev never lacks friends. Everywhere she goes she finds likeminded people, and in some cases bottles, who are just as committed to fighting the tide of litter engulfing our waterways and bushland, as she is. Whether its the Mudcrabs of Cook's River, or the folk from Uniting Church of Australia, which recently confirmed its support for the Cash for Containers campaign, or just passerbys intrigued by her colourful stalls, Bev finds supporters everywhere.

Bev is also top of the pops with schools. She turned up to help out with a waste audit at Wamberal Primary School in

October and participated in a video conference with six other schools from around the state. The students wrote letters to the Environment Minister, acted out how refunds work in South Australia, and then joined in a vigorous rendition of Bev's Ten Cents A Bottle song - some were even wearing green glass bottle costumes. Wamberal students did a great job teaching their peers about the campaign and the students asked Bev some very

good questions, such as: how do reverse vending machines work? why did South Australia change the refund from 5c to 10c? and what do you do when you get thirsty inside a bottle costume? (Bev said she looks for a bubbler and takes off her cap).

Bev also shared a fantastically decorated stall at the Australasian Waste and Recycling Expo in Darling Harbour, with the newest member of the Boomerang Alliance - Two Hands project. There were high levels of interest and support in the industry crowd. Bev bowled up and said hello to

> Minister Robyn Parker who remembered Bev from the launch of TEC's award winning documentray about garbage, Waste Not, at Parliament House in Sydney earlier this year. Minister Parker was also aware that Bev had visited her Mailtand office with the Maitland Transition Towns' folk. Apparently all Maitland was talking about the Bottle's visit for days.

The same double act with Two Hands rocked a stall at the Cooks



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River Eco Festival. The Cooks River Valley Association knows very well the problem of bottles, and a lot of people took a long look at Bev's tally board, which showed how many bottles had been handed in and what they were worth in refund deposits. It's not rocket science, is it? commented one passing supporter. What better way for children, homeless people and others at a loose end to make a few bucks on the side and clean up Australia at the same time?

Bev says local government support is running strong - one council has asked about installing a giant Bev the Bottle to highlight the unsightly proliferation of bottles and cans

people have failed to put into the recycling bin. Others are seriously considering the installation of water refill stations to combat the plastic water bottle blight. Many local governments are distributing Bev's campaign postcards.

Watch out for Bev sightings over summer - she'll be the happy bottle at North Sydney, Peats Ridge Festival, Manly Beach and beyond. Don't be shy about saving hello. Volunteers are welcome to lend a hand. And don't hesitate to contact Bev or Lisa at the TEC office to request postcards or to volunteer.

Selling The Green Story

What is "new open media", and how can we use it to get the green message across? Green Capital's Senior Adviser, Murray Hogarth, reviews the findings from the last Green Capital event.

The latest in our series of Green Capital events - Media, Marketing and the Green Message - confronted the challenges that governments, businesses and community groups share in cracking through with their communications on climate change and carbon pricing, green products, sustainable living and much more. The audience was there to find out if we are 'believable and connecting' with sustainability communications, or missing the mark in an era where financial uncertainty is dominating the public mind, and the environment is an also ran.

From the outset, Green Capital wanted to go way beyond PR and 'spinning green'.

The scene was set by the opening keynote speaker, Andrew McNally, commercial director of Newslab (yes, part of News Limited), who brought a professional marketer's expertise to the discussion.

'You have to be there, telling a story,' said McNally. 'It's no longer about the paid media. It's about the earned media.'

As McNally put it, from a marketing communications point of view consumers are 'always on now', the result of smart mobile phones, internet-enabled tablet devices, and social media and networking.

In this new operating environment, every organisation is a media business, with its own publishing assets primed to 'get the story out'. 'Share-ability' is vital, with marketers seeking to get exposure across millions of 'page impressions' using diverse media platforms. 'Authenticity' is critical as 'you will be found out if you are telling half truths or lies'.

To illustrate his core thesis around storytelling in the new open media age, McNally highlighted a US case study of the ice cream company Haagen Dazs and its 'Haagen Dazs loves Honey Bees' campaign to raise awareness of the plight of the honey bee, which faces serious population decline in the Northern Hemisphere, and to pursue solutions to save bees. (See this web link www.helpthehoneybees.com/)

Connecting the well-being of honey bees directly to its own natural ingredient products, and using everything from viral You Tube clips to testimony before US Senate hearings, Haagen Dazs has defied the conventional marketing wisdom which avoids difficult and controversial issues. It's an inspiring, highly authentic piece of storytelling, with real environmental, social and economic purpose.

McNally left the perfect question hanging in the air: If Haagen Dazs can do so much with honey bees, how come the Australian Government has struggled to sell its carbon pricing scheme?

The second keynote, pollster and campaign strategist Tony Douglas from Essential Media Communications, had an answer: The problem lies with the story-telling, or 'the narrative'.

Douglas was a key adviser who shaped the ACTU's very successful Your Rights At Work campaign against the then Howard Government's Work Choices laws several years ago. In his analysis, the Gillard Government has failed to convince most people that they won't be losers under a carbon pricing scheme, with only 10% thinking they will be better off.

The solution, Douglas advises, is to reframe the debate, shifting away from its current 'cost and no benefits' message, to a 'biq picture plan' and a motivating narrative: A strong economy is dependent on a healthy environment.

A key take-out from the communications professionals especially for campaign organisations like the Total Environment Centre - is to think like your target audience and shape the message accordingly, rather than trying to impose your thinking on them.

If business is an audience which TEC and Green Capital want to win over for the long-term, then it may be worth turning Tony Douglas' narrative framing around: A healthy environment is dependent on a strong economy.

Too comfortable with the polluters

The incidents at Orica, and the response to those incidents, are symptomatic of broader systemic failings in the NSW pollution control system. Jeff Angel asks - what went wrong?

In the 1990s TEC was one of the major supporters of the establishment of the Environment Protection Authority (EPA) as a 'green defender'. The legislation under a Coalition government modernised pollution regulation and even included the goal of 'ecologically sustainable development'. The EPA began with grand hopes but over time its horizons became smaller and smaller. Inevitably industry complained about 'green tape' and governments ever keen to encourage jobs and investment, began to marginalise the EPA to the long term detriment of the environment.

When we met Premier Barry O'Farrell just after his election he described the EPA as the 'jewel in the crown' of Liberal environmental achievements. And it's true that under successive Labor governments it lost its bite.

Each year, industrial facilities across New South Wales release hundreds of millions of kilograms of pollution into our air, water and soil. Over the last decade, industrial facilities have self-reported thousands of breaches of pollution licences, and compliance audits conducted by the Environment Protection Authority (EPA) routinely revealed unreported breaches. No one knows the cumulative impact on the environment and people's health - and there's no concerted action to do anything about it.

So what went wrong? What are we doing to bring to an end, the old industrial culture of treating the environment as a dump for toxic chemicals? We've been talking about zero release and industrial ecology for some years now.

Three insidious influences were at work:

- 1. Constant industry pressure about costs and threats that over-regulation will drive it from the state/country.
- 2. A lack of political support for 'taking on industry' and supply of the requisite resources.
- 3. Inadequate community advocacy and industry negotiation skills within the bureaucracy.

A conservative pollution control culture developed – in fact it already had its roots in the State Pollution Control Commission that preceded the EPA.

TEC undertook a quick survey of how the EPA had faired in its efforts to improve industry practice. We were shocked by what we found. In relation to dust from coal mines - two audits had been completed in 2004 (which also examined other matters) and 2010. Both found numerous problems with dust management. Various measures were proposed (again). Management of chlorinated solvents was also lacking. Audits were carried out in 2011 and the department reported, 'The issues identified are similar to those found in the 2005 environmental compliance program on liquid chemical storage, handling and spill management.' In response to the 2005 findings the department initiated training courses and fact sheets on its website, and which it says it will continue!

Currently the EPA is carrying out audits of 42 hazardous facilities as a follow on from Orica - goodness knows what they will find out about industry failings and of their own effectiveness.

It was a surprise that a conservative government took advantage of the Orica incident(s) to dramatically revamp the EPA. But that's what Premier O'Farrell and Minister Parker did. What was leveraged were new legal tools and reporting obligations; a new organisational structure and it appears the political support necessary to crack down on pollution breaches - which could drive sustained reductions in air, water and soil pollution.

Certainly Orica did itself no favours with repeated pollution incidents in a glare of media publicity - nor did it help the general industry case for self-regulation. The evidence given to the Orica parliamentary inquiry by the CEO of Orica that the incidents weren't serious - or what he called 'excursions' from the site - did even more damage to their reputation. One member of the committee (unsurprisingly) called it 'spin'.

The public response to the leak of hexavalent chromium from Orica's facility at Kooragang Island on 8 August, and subsequent pollution events, demonstrates the strength of community concern in relation to pollution. From now on, It is essential that the community has a green defender; receives reliable and timely information in relation to pollution risks and incidents; and can have its voice heard about pollution reduction.



Glen Wright, NEM Advocate

Total Environment Centre has commissioned the Institute for Sustainable Futures at the University of Technology Sydney to produce a ground-breaking report on the National Electricity Market (NEM). The NEM Report Card will be the first of its kind and aims to assess the overall performance of the NEM.

The guiding principle of the NEM, the National Electricity Objective (NEO), is to ensure that the 'long term interests of consumers of electricity' are met. Price, quality, safety, reliability, and security of supply are specifically mentioned in the legislation, but the environment is notably absent.

Total Environment Centre believes that in the age of climate change and with growing interest in renewable energy, many consumers consider that protection of the environment is in their long term interests, making its omission from the NEO a critical oversight. At the same time, electricity prices continue to rise as more infrastructure is built to support peak demand, replace ageing assets and meet stringent reliability and security standards.

Recently concern has been mounting across a range of stakeholders that the NEM is failing to meet the interests of consumers on a number of levels. Meanwhile calls for an environmental objective in the NEM have been growing, suggesting that a renewed effort is required to recognise the environment as a key consumer interest.

The Report Card surveys 29 key stakeholder organisations, asking for their opinion on what they see as their long-term interests. The survey reveals that price and the environment are the top two concerns of electricity consumers. Other key concerns include the level of competition between electricity retailers and the protection of vulnerable customers. Security of supply and reliability are low on consumers' priority list, despite these goals being used to justify increases in infrastructure expenditure.

The Report Card develops a series of performance indicators based on these interests and measures the performance of the NEM in these areas. A detailed analysis of each performance indicator is condensed into a simple grade A-F. Preliminary results suggest that the NEM is failing consumers on both price and environmental sustainability.

In addition to grading various aspects of the NEM, the Report Card has identified a severe lack of information and reporting in a range of areas. Without sufficient information, performance cannot be measured and it cannot be assessed whether the NEM is progressing in the long-term interests of consumers.

Total Environment Centre has advocated for decentralisation in the NEM for 8 years, arguing that Australia's energy future does not lie in ever-greater expansion of expensive poles and wires, but in demand side participation, increasing energy efficiency and reducing electricity, and distributed energy, allowing consumers to generate their own power.

The NEM Report Card is the first complete assessment of our electricity system and it conclusively shows that a rethink is urgently needed. The focus of the NEM needs to be shifted from excessive reliability and security standards to price and the environment, demand management, energy efficiency and distributed generation.

The final report is due to be released early in the new year.



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