



# **Millennium Expansion Project**

## **Environmental Impact Statement**

### **CHAPTER 15:**

### **SOCIAL**

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## 15.0 SOCIAL ENVIRONMENT

### 15.1 EXECUTIVE SUMMARY

#### 15.1.1 Social Values

This Social Impact Assessment describes the existing social values of the communities and populations surrounding the MEP in terms of the:

- integrity of social conditions including amenity and liveability;
- harmony and well being;
- sense of community;
- access to recreation; and
- access to social and community services and infrastructure.

The social amenity and use of the MEP area and adjacent areas for rural, agricultural, forestry, fishing, recreational, industrial, educational or residential purposes is also covered.

#### 15.1.2 Potential Impacts and Mitigation Measures

The following table provides a summary of the potential social impacts of the MEP and the proposed mitigation measures.

**Table 15-1 Summary of Potential Social Impacts and Mitigation**

Potential Impacts	Mitigation Measures
Demographic Change	
<ul style="list-style-type: none"><li>The principal demographic change likely to occur in the Local Study Area (LSA) and/or Regional Study Area (RSA) will be a minimal increase in the number of young families.</li></ul>	<ul style="list-style-type: none"><li>No mitigation strategy proposed due to the minimal nature of the impact(s) predicted.</li></ul>
<ul style="list-style-type: none"><li>Given the proportion of the workforce likely to relocate is less than five per cent, minimal change to the demographic profile of the LSA or RSA is anticipated.</li></ul>	
Infrastructure and Services	
<ul style="list-style-type: none"><li>A small increase in the number of BIBO bus movements on the Peak Downs Highway between Mackay and the Millennium Mine due to the MEP.</li></ul>	<ul style="list-style-type: none"><li>Transport of the expected workforce (380 maximum) to the EPP site will be managed by the successful contractor in line with Peabody policies. See <b>Chapter 8-Transport</b> for additional details.</li></ul>
<ul style="list-style-type: none"><li>Potential minor increase in the use of social infrastructure, services or the membership of sporting and recreational facilities attributable to the estimated five per cent of the workforce and their families relocating to the LSA (an estimated six families) or to the Mackay Study Areas (MSA) (an estimated 134 families or less than 0.6% of Mackay’s existing population).</li></ul>	<ul style="list-style-type: none"><li>Any minor increases in the use of social infrastructure, services or the membership of sporting and recreational facilities are unlikely to have a negative impact on existing resources. It is expected that increased interest could actually help to keep such services active and/or enhance their viability.</li><li>The MAC Accommodation Camps will offer MEP employees a range of recreational facilities and activities.</li></ul>

Training and Employment	
<ul style="list-style-type: none"> <li>Obtaining workers for the MEP from the LSA could put some resources strain on local businesses.</li> </ul>	<ul style="list-style-type: none"> <li>Recruitment of personnel with the necessary skills from a range of employment sectors, including minority groups and people with limited or no previous experience in the mining industry, to reduce the potential for local businesses to experience skills shortages.</li> <li>Peabody is involved in a number of industry-wide and company-specific programs to raise awareness of mining-related careers, provide ongoing access to training and education, and enhance retention within the company.</li> <li>Peabody has embarked on an aggressive recruitment strategy that offers high-tech training and career development opportunities through its 'Grow Together' people campaign.</li> <li>Peabody is developing a comprehensive Indigenous Engagement Program focussing on employment and training opportunities for Indigenous youth, as well as an ongoing recruitment strategy to attract a more diverse workforce.</li> </ul>
Housing and Accommodation	
<ul style="list-style-type: none"> <li>Approximately five per cent of the workforce (i.e. six employees) is likely to seek permanent accommodation in the LSA which is anticipated to have minimal impact on the LSA housing market. In the MSA, a population increase of less than 0.6% is considered unlikely to have significant impact on the Mackay housing market.</li> </ul>	<ul style="list-style-type: none"> <li>No mitigation strategy proposed due to the minimal nature of the impact(s) predicted.</li> </ul>
Community Values, Vitality and Lifestyle	
<ul style="list-style-type: none"> <li>Employees may be affected by the extended periods spent away from home and those who move to the region may experience a sense of isolation or a period of adjustment.</li> </ul>	<ul style="list-style-type: none"> <li>The Moranbah and District Support Services will provide support, where required, along with the more diverse range of social support services offered in Mackay.</li> <li>MAC Accommodation Camps all have high speed internet access that allows families to have instant communications.</li> </ul>
<ul style="list-style-type: none"> <li>Potential increased threat to property and public safety.</li> </ul>	<ul style="list-style-type: none"> <li>The construction and operational workforce of the MEP will be required to adhere to Peabody's standards, procedures and codes of conduct which govern employees' behaviour both within and outside of the workplace.</li> <li>Workplace policies in relation to drug and alcohol use are strictly enforced by Peabody.</li> <li>Peabody's expectations regarding the need to maintain good relations with the local community will be communicated regularly to both the construction and operational workforce over the life of the mine.</li> <li>Accommodation camps have Conditions of Use that ensure employees staying at the camp behave appropriately and considerate of community standards.</li> </ul>

Health and Social Services	
<ul style="list-style-type: none"> <li>Local service providers indicated that in many cases service delivery associated with health and social services is operating below capacity and therefore the impact of the MEP will be nil to low.</li> </ul>	<ul style="list-style-type: none"> <li>No mitigation strategy proposed due to the minimal nature of the impact(s) predicted. Minor injuries at the MEP will be dealt with by on-site first aid officers and patients with more serious injuries will be transported to Moranbah or Mackay Base Hospitals for treatment.</li> </ul>
<ul style="list-style-type: none"> <li>Community services provided by organisations such as ELAM, Domestic Violence Resource Service, Moranbah and District Support Services and various other support services for the LSA and RSA could be negatively impacted upon if a large increase in the population occurred.</li> </ul>	<ul style="list-style-type: none"> <li>The MEP is anticipated to have minimal impact on the demographic profile of the LSA and RSA, with only five per cent of the operational workforce (six families) likely to move to the area on a permanent basis.</li> </ul>
<ul style="list-style-type: none"> <li>Long-term issues associated with the potential increase in mining operations could result in cumulative impacts.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to 'Cumulative Impacts' below.</li> </ul>
Local Service Revenue	
<ul style="list-style-type: none"> <li>No significant impacts predicted.</li> </ul>	<ul style="list-style-type: none"> <li>No mitigation strategy proposed due to the minimal nature of the impact(s) predicted.</li> </ul>
Local Land Use	
<ul style="list-style-type: none"> <li>No significant impacts predicted.</li> </ul>	<ul style="list-style-type: none"> <li>No mitigation strategy proposed due to the minimal nature of the impact(s) predicted.</li> </ul>
Education	
<ul style="list-style-type: none"> <li>No significant impacts predicted.</li> </ul>	<ul style="list-style-type: none"> <li>No mitigation strategy proposed due to the minimal nature of the impact(s) predicted.</li> </ul>
Mine Closure	
<ul style="list-style-type: none"> <li>Demographic and other changes in the LSA have seen Moranbah and Coppabella develop the characteristics of towns that are dependent on mining and therefore have increased vulnerability to mine closure.</li> </ul>	<ul style="list-style-type: none"> <li>This MEP will extend the life of the mine and ensure continued employment for current employees by a predicted 16 years.</li> <li>Peabody will develop a detailed mine closure plan well in advance of closure and decommissioning of the MEP to assess the impacts on the LSA and identify necessary management strategies.</li> <li>The mine closure plan will be developed in consultation with appropriate stakeholders and DERM.</li> </ul>
Cumulative Impacts	
<ul style="list-style-type: none"> <li>Housing shortages, affordability and lack of suitability.</li> </ul>	<p>The MEP has minimal potential social impacts and where necessary will implement mitigation measures to further reduce these potential impacts.</p> <ul style="list-style-type: none"> <li>It is acknowledged that on a cumulative basis new industrial developments may have both positive and negative significant impacts on the region, however Peabody can only mitigate its own impact. Local and State government are the best place to accurately identify cumulative impacts and implement appropriate mitigation measures.</li> <li>The Coal Infrastructure Program of Actions 2008 report produced by the Department of Infrastructure and Planning identified the need to take industry-wide strategic planning for future</li> </ul>
<ul style="list-style-type: none"> <li>Changes in participation rates in community groups and sporting clubs.</li> </ul>	
<ul style="list-style-type: none"> <li>Disparity between mining incomes and other occupations.</li> </ul>	
<ul style="list-style-type: none"> <li>Transient population-includes people moving into and out of the area in search of employment, as well as leaving due to lack of further education and aged care services.</li> </ul>	
<ul style="list-style-type: none"> <li>Non-mining skill shortages.</li> </ul>	

<ul style="list-style-type: none"> <li>Increased traffic on the Peak Downs Highway.</li> </ul>	<ul style="list-style-type: none"> <li>growth in coal demand and production.</li> <li>A Coal Infrastructure Taskforce was established to develop the Queensland Coal Infrastructure Strategic Plan which will give an overview of future transport infrastructure expansions and will provide a summary of committed and planned infrastructure expansions as well as indicative capacity expansions to 2020.</li> <li>There is a need for collaboration between the mining industry and other external agencies to improve the capacity to monitor and manage cumulative impacts of mining on communities. This has recently begun through the QRC's Social Policy Working Group. Peabody is a member of QRC and is active on a number of QRC committees.</li> <li>Subject to community interest, Peabody will seek to continue the Community Reference Group (CRG) meetings with interested stakeholders. The CRG commenced during this EIS process and will continue as an ongoing initiative to manage social issues throughout the life of the mine.</li> <li>Cumulative air and noise impacts to Moranbah are predicted to be minimal or non-existent given the distance to the MEP. Specific details are contained in <b>Chapter 11-Air</b> and <b>Chapter 12-Noise and Vibration</b>.</li> </ul>
<ul style="list-style-type: none"> <li>Increased economic viability and wealth into the community.</li> </ul>	
<ul style="list-style-type: none"> <li>A buffer for the local economy from future economic downturns.</li> </ul>	
<ul style="list-style-type: none"> <li>Increased number of skilled and semi-skilled positions available to the local community.</li> </ul>	
<ul style="list-style-type: none"> <li>Promotion of Indigenous business opportunities and increased training/employment opportunities for Indigenous Australians.</li> </ul>	
<ul style="list-style-type: none"> <li>Increased population-increased participation rates in community groups and sporting clubs-leading to more viable ventures.</li> </ul>	
<ul style="list-style-type: none"> <li>Air and noise quality impacts</li> </ul>	

## 15.2 INTRODUCTION

The following section provides a description of the existing social environment in the areas surrounding the MEP, along with an assessment of the potential impacts of the MEP on the social environment. Where appropriate, mitigation and management measures to manage these impacts have been proposed. Unless otherwise referenced, the data quoted in the following section is taken from the Social Impact Assessment (SIA) undertaken for the MEP and included in **Appendix F11-Social**.

## 15.3 SOCIAL VALUES

This section describes the existing social values of the communities and populations surrounding the MEP in terms of the:

- integrity of social conditions including amenity and liveability;
- harmony and well being;
- sense of community;
- access to recreation; and
- access to social and community services and infrastructure.

The social amenity and use of the MEP area and adjacent areas for rural, agricultural, forestry, fishing, recreational, industrial, educational or residential purposes is also covered.

## 15.4 METHODOLOGY

The SIA was undertaken in accordance with the requirements of the Final Terms of Reference (TOR) for the MEP Environmental Impact Statement (EIS).

A desktop assessment was undertaken to describe the demographic characteristics of the region, using statistical data from the Australian Bureau of Statistics (ABS) 2001 and 2006 Census of Population and Housing, Basic Community Profiles and Time Series Profiles (1991 to 2006), as well as other government statistics and regional reports.

For the purposes of this SIA, four study areas were defined as follows:

1. a 'Local Study Area (LSA)', comprising the Australian Bureau of Statistics (ABS) State suburb, Moranbah SSC 36793 and Collection District 3052004, Coppabella;
2. a 'Regional Study Area (RSA)', comprising the IRC area;
3. a 'Mackay Study Area (MSA)', comprising the Mackay Regional Council (MRC) area; and
4. the State of Queensland.

The LSA, RSA, MSA and Queensland study areas are further described and illustrated in **Appendix F11-Social**.

Consultation with residents of Moranbah, Coppabella and the wider community was undertaken through a comprehensive Stakeholder and Community Engagement Program (SCEP), which included a Community Survey. Some results of the SCEP are referenced in this section. Full details can be found in **Appendix E-Consultation Report**.

## 15.5 EXISTING SOCIAL ENVIRONMENT

The SIA included in **Appendix F11-Social** provides a detailed assessment of the existing social environment in the LSA, RSA, MSA and Queensland, including the relevant statistical data to support the assessment findings. Based on this work, the relevant key findings include:

- the LSA and RSA have experienced a population increase since 2001 and this trend is predicted to continue.
- there is one landowner within the operational area of the MEP and 17 landowners adjoining the operational area.
- non-resident workers, predominantly housed in accommodation camps, account for a significant proportion of the existing working population in the LSA and RSA.
- the majority of persons in the LSA and RSA are aged between 15 and 44, which is reflective of the working population.
- the LSA and RSA have proportionally smaller indigenous populations than Queensland or the MSA.
- a small proportion of persons renting in the LSA and RSA rent through non-traditional methods. Most mining companies provide rent assistance for senior management roles.
- the Community Survey identified that a high percentage of the respondents characterise the area in which they live as being 'Very Good' or 'Good'. comments received indicated that residents value the sense of community and quiet and relaxed lifestyle and believe that the region is a great place to raise children.
- although there are a range of services available to people living in the LSA and RSA (e.g. shops, emergency services, health facilities, support services, education, churches), survey respondents indicated that the available services offer severely restricted choices and specifically that there is not enough choice



for grocery shopping and that access to major health services involved travelling to the MSA.

- the LSA has a number of recreational, cultural, leisure and sporting activities, although again severely restricted when compared to larger coastal settlements.
- there are no aged care facilities in the LSA reflecting the low proportion of persons aged over 75. This may impact on the low number of elderly individuals who live in the region.
- education facilities in the LSA and RSA range from pre-school to year 12. There are no tertiary education centres in the LSA or RSA, with the nearest tertiary education centre located in the MSA.
- anecdotally, there is currently a housing shortage in the LSA and RSA.
- anecdotally, high rents and high house prices make it more difficult to attract non-mine workers to live in the LSA and RSA.
- the MAC accommodation camps, providing single person's quarters, are the major short-term and temporary accommodation facilities housing mining employees in the LSA.
- unemployment is lower in the LSA and RSA than in Queensland.
- the majority of persons in the LSA, RSA and MSA are employed on a full-time basis.
- the highest portion of the labour force in the LSA and RSA are employed in unskilled or semi-skilled occupations.
- a large proportion of persons working in the LSA and RSA receive an income of over \$2,000 per week, well above the Queensland average.
- approximately 160 employees, in addition to the existing 220 employees at Millennium Coal Mine, will be required during the estimated 16 year operational period of the MEP.
- approximately 95% of the operational MEP workforce may be accommodated at the MAC Coppabella Accommodation Camp and, if required, at the MAC Moranbah Accommodation Camp. The remaining five per cent may seek permanent accommodation in the surrounding areas.

## 15.6 POTENTIAL IMPACTS AND MITIGATION MEASURES

An assessment of the potential short-term, long-term and cumulative social impacts of the MEP is provided below, along with proposed mitigation and management procedures where required.

One overarching management procedure of particular relevance for this section, and as part of its commitment to manage social impacts throughout the life of the MEP, is that Peabody will seek to continue the Community Reference Group (CRG) meetings that commenced as part of this EIS Community and Stakeholder Engagement Plan. Through the CRG, Peabody will have a mechanism to:

- respond to community enquiries and complaints;
- resolve disputes with stakeholders;
- develop action plans with stakeholder involvement for ongoing social and community support;
- report on progress of activities and commitments;
- monitor the effectiveness of their community engagement processes through stakeholder feedback; and



- adjust mitigation strategies to achieve the best outcomes for all parties.

The success of the CRG will depend largely on the continued interest and involvement of the local community and interested stakeholders. The proposed strategies to mitigate specific impacts are outlined in the following sections, in the draft **Social Impact Management Plan (Chapter 15-Annexure A)** and in **Chapter 20-Draft Environmental Management Plan**.

### 15.6.1 Demographic Change

It is envisaged that approximately 95% of the additional 160 employees required for the MEP will live in Mackay and utilise the BIBO service. It is estimated from current Millennium Coal Mine employee distribution that less than five per cent of the operational workforce will be likely to move to the local area on a permanent basis. As this proportion of the workforce is assumed to be predominantly young families who will not want to be regularly separated as part of the BIBO scenario, the principal demographic change likely to occur in the LSA and/or RSA will be an increase in the number of young families. However, given the small proportion of the workforce (estimated at six employees) likely to relocate, minimal change to the demographic profile of the LSA or RSA is anticipated.

For the MSA, Mackay currently has a population of approximately 116,123 people (Mackay Regional Council, 2010). The MEP is predicting 160 additional employees. Even if this number is multiplied by four (for a typical family) to give an addition 640 people moving to Mackay, this only increases the population by 0.6%. Such a minor increase in population is difficult to statistically assess in any meaningful way and is therefore assigned as having negligible impact on any social or physical infrastructure in the Mackay region.

The existing populations of the LSA and RSA are predominantly male and this trend is expected to continue given the typically male-dominated nature of the mining workforce.

Population projections indicate that the region will experience steady growth. As there are currently proportionally more people in the 25-34 year old category and the majority of the MEP workforce will be expected to fall within this age category, the MEP is unlikely to have any effect on the overall age structure in the LSA or RSA.

The MEP is anticipated to have minimal impact on the demographic profile of the LSA and RSA.

### 15.6.2 Infrastructure and Services

As the majority of the MEP workforce is expected to be permanently based in and around Mackay, it is not envisaged that additional community infrastructure in the LSA or RSA will be required as a result of the MEP. Mackay is expected to have sufficient community infrastructure to allow for the small increase in population proposed as a result of the MEP.

A BIBO service from Mackay will be provided for MEP employees. Employees will be transported to the MEP-nominated accommodation camp from Mackay on the day preceding their first roster day and transported back to Mackay by bus after the completion of their last rostered shift. Although this bus service already exists for the Millennium Mine, there will be a small increase in the number of bus movements on the Peak Downs Highway due to the MEP as detailed in **Chapter 8-Transport**. Transport of the workforce to the EEP site will be managed by the successful contractor in line with Peabody policies.

Two bus routes servicing schools in Moranbah currently use the Peak Downs Highway. Apart from an occasional potential increase in travel times due to slow moving heavy vehicles, these bus routes are unlikely to be affected by MEP operations.

The capacity and staffing levels of emergency service providers is based on the number of emergencies generated within a catchment. Given the small incremental increase in population and traffic movements for the MEP, no significant adverse effects on the provision of emergency services in the region will be expected.

The MEP will utilise the existing Millennium Coal Mine telephone lines for both telephone and internet connections. There will be no physical impact on any existing telecommunication infrastructure.

With a BIBO workforce largely accommodated in Mackay, the MEP will not be expected to have a significant impact on community organisation numbers in the LSA or RSA. Given the minor increase of population in the MSA, any increase in community organisation numbers will be negligible.

The MEP is unlikely to impact on the LSA, RSA or MSA community infrastructure or services. Any minor increase in the use of services or the membership of sporting and recreational facilities attributable to the estimated five per cent of the workforce and their families relocating to the area is a potential positive in keeping such services active or enhancing their viability.

### **15.6.3 Training and Employment**

The mine operating contractor(s) will be responsible for the recruitment of the operational MEP workforce (i.e. an additional 160 employees).

Employees for the operational phase will be sourced from:

- existing Peabody employees;
- workers who reside in key Central Queensland regional centres;
- existing employees of contractors working on similar projects elsewhere;
- residents from the LSA and RSA; and
- a minority of applicants from outside the usual employment base.

As part of the recruitment strategy, residents from the LSA and RSA will be encouraged to apply for positions, assuming they have the necessary skills for the advertised position. While some positions will seek to employ low or unskilled labour, other positions require specific technical training and/or mining experience. Regardless of the skill level required, the low unemployment rate within the LSA and RSA as a whole may require the workforce to be sourced from further away.

The recruitment of personnel for any position at the MEP will follow existing Peabody recruitment processes with the mine operating contractor required to abide by Peabody's policies and standards. It is acknowledged that obtaining workers for the MEP from the local area may further lower the immediately available workforce available for non-mining related business, however this is likely to be balanced to some degree by the mine-led economic prosperity in the region and associated movement of people to the area. In addition, by recruiting workers with a range of skills, including people with limited or no previous experience in the mining industry, Peabody hopes to reduce the potential for local businesses to experience skill shortages.

As part of their standard corporate procedures, Peabody is involved in a number of industry-wide and company-specific programs to raise awareness of mining-related

careers, ensure the accessibility of training and education and improve skills retention within the company. Such programs include:

- attendance at regional careers fairs to promote mining-related careers;
- sponsorship of Queensland Minerals and Energy Academy and its associated programs;
- participation in a number of industry skills development initiatives with the Mining Industry Skills Centre;
- support of trade programs in local schools and apprenticeship programs;
- an ongoing commitment to Graduate development through a two-year rotational program; and
- internal development through skills enhancement and leadership programs and education assistance for self-directed learning opportunities.

Peabody recognises that a small number of critical mining roles (e.g. mining engineers) require a highly-skilled workforce pool that is currently limited in Australia, and as such has introduced a broad recruiting effort that offers high-tech training and career development programs through its 'Next Generation Workforce' campaign (Peabody, 2008).

Throughout all operations, Peabody is committed to the principles and practices of equal opportunity employment and is seeking to increase the number of minority and female employees across all levels of the organisation (Peabody, 2008). As one example, Peabody has recently developed the National Peabody Energy Australia Indigenous Employment, Training and Retention Strategy to recruit, train and retain a number of indigenous staff across the Peabody Energy Australia operations over an eighteen month period commencing July 2010. The Indigenous Employment Strategy will aim to create sustainable employment opportunities for indigenous Australians. Participants will be sourced from Job Services Australia providers, Community Development Employment Projects, TAFE, high schools, universities and relevant indigenous communities, organisations and agencies.

It should also be noted that a large proportion of the employment generated by mining operations is not at the mine site itself, but in ancillary activities such as transportation, processing, the manufacturing and supply of mining equipment and the supply of goods and services to mining communities. Many of these jobs, due to the nature and complexity of the work, are located outside the mining community and in the major manufacturing centres of Queensland, Australia or overseas. Relatively few are located within the LSA (Maude and Hugo, 1992) and so should have minimal additional impact on the local workforce availability.

#### **15.6.4 Housing and Accommodation**

Consultation undertaken as part of the SCEP suggests that the demand for housing within the LSA outweighs supply, leading to issues such as high private sector rents, lack of purchase opportunities and a shortage of local builders or tradespeople for the construction of new properties. The lack of housing is thought to be restricting the movement of new families into the area and is also putting additional financial pressure on lower and middle income earners. This in turn has the capacity to reduce the quantity of available labour within the community. However, the IRC has announced it is releasing land for residential development which should reduce the current housing pressure.

Approximately 95% of the MEP construction and operational workforce will be housed at the MAC Coppabella Accommodation Camp during their shift but with

their permanent accommodation likely to be in Mackay. The remaining five per cent (i.e. six employees) is likely to seek permanent accommodation in the LSA.

The low numbers of additional employees associated with the MEP are anticipated to have minimal impact on the LSA, RSA or MSA housing market.

### **15.6.5 Community Values, Vitality and Lifestyle**

The town of Moranbah was founded specifically to service mines in the area and as a result, the existing community values have been significantly influenced by the mining industry. Similarly Coppabella, though initially based around the rail network, was built to service specific industry requirements and is well suited for extending its purpose to meet mining requirements. Given Moranbah and Coppabella's history, along with the small increase in employee numbers, the MEP is not expected to detract from the existing community values.

Assessment of a range of community health indicators show a potential mix of positive and negative issues as a result of the MEP, some examples of which are given below:

- the increased visitor presence in Moranbah and Coppabella-evident in the IRC's tourism figures-suggests that mining developments and associated economic and social developments have increased the popularity of regional and remote mining towns for both visitors and workers.
- most of the community facilities in the LSA are multi-purpose venues that serve a number of clubs and/or activities and some offer spare capacity for future diversification in services. A number of facilities are under-utilised due to lack of community interest, participation numbers and/or funding to undertake necessary upgrades. Slight increases in residential population as a result of the MEP could see an increase in the membership, and hence viability, of some recreational, sporting and cultural pursuits. However, the extent of this impact is likely to be minimal due to the small increase in the workforce numbers. In reality there is likely to be little negative or positive impact on community facilities.
- through the Community Survey undertaken as part of the SCEP, a number of residents indicated a preference to have the workforce relocate to the area along with their families to preserve and enhance the community's social profile. However, considering the quantity and suitability of housing and infrastructure available, the relocation of the operational workforce and their families to the LSA will not be economically viable for the MEP.
- a number of local residents raised concerns over the growing number of purpose-built accommodation camps housing proportionally high numbers of single males. Although residents were not aware of large numbers of specific incidents, they believed that the increased presence of non-resident males employed to service mining development constituted an increased threat to both property and public safety. Respondents believed that left unmanaged, these issues could negatively affect the social values of the local townships. This public perception is not supported by crime rates, as detailed in the point below.
- a summary of the types of reported criminal offences and trends in the rate of crime over time in the LSA, RSA, MSA and Queensland shows that an increase in the non-resident population does not inevitably result in an increase in crime rates. Although there is some evidence that crime rates have increased since the commencement of mining in the LSA, statistically, the number of reported crimes has increased in proportion to the population. The overall crime rates for the LSA have remained low in comparison to the other study areas.

- the majority of the MEP construction and operational workforce will be housed in single person's quarters during their shifts. Employees may be affected by the extended periods spent away from home and those who move to the region may experience isolation or a period of adjustment. The Moranbah and District Support Services will provide support, where required, in addition to the larger range of support services offered in Mackay.
- the construction and operational workforce of the MEP will be required to adhere to Peabody's standards, procedures and codes of conduct which govern employees' behaviour both within and outside of the workplace. Workplace policies in relation to drug and alcohol use are strictly enforced by Peabody. Peabody's expectations regarding the need to maintain good relations with the local community will be communicated regularly to both the construction and operational workforce over the life of the mine.

It is predicted that the continuing trend of housing mining workers in camp-style accommodation with Fly-In/Fly-Out (FIFO) or Bus-In/Bus-Out (BIBO) operations may result in some minor changes to the community values and lifestyle of small remote and regional townships. While Peabody is not in a position to address this issue autonomously, they acknowledge their role as part of a collaborative approach alongside Local and State Governments, industry, key stakeholders and community members.

While there are a wide range of social issues associated with regional Queensland in general and the Bowen Basin specifically that need further detailed assessment and potentially local or State Government assistance, the MEP is not expected to have a significant adverse effect on community values, vitality and lifestyle.

### **15.6.6 Health and Social Services**

The difficulty in recruiting and retaining health care professionals in regional communities generates two primary issues. Firstly, there are fewer health care professionals to take care of the medical needs of communities. Secondly, members of the workforce, especially those with families, are concerned about living and working in small regional communities without easy access to health care. Without a population catchment capable of supporting a medical practice, it is difficult for small communities to attract doctors and other health care providers.

Discussions with local service providers indicated that in many cases service delivery associated with health and social services is operating below capacity and therefore the impact of any additional requirements from the MEP, while low, will be beneficial. Community services provided by organisations such as ELAM (Emergency and Long-term Accommodation in Moranbah), Domestic Violence Resource Service, Moranbah and District Support Services and various other support services for the LSA and RSA could be negatively impacted if a large sudden increase in the population occurred, but are benefited by a small, continual increase in population.

In general, the MEP will have little or no effect on the supply or demand for medical services in the region. Minor injuries at the MEP will be dealt with by on-site first aid officers and patients with more serious injuries will be transported to Moranbah or Mackay Base Hospitals for treatment.

While it is not anticipated that the MEP will have significant impacts on health and social services delivery, long-term issues associated with the potential increase in mining operations could result in cumulative impacts for the LSA and RSA.



### 15.6.7 Local Service Revenue

Wealth created through mineral exploration, mining, mineral processing and support industries (e.g. equipment supply and maintenance) flows throughout the community. This wealth creation can be achieved through processes such as:

- circulating money through the economy-the money that mining companies and mine workers spend in their local communities is important to maintaining strong regional economies;
- providing jobs in service and support industries-the mining industry purchases a wide range of services from within the LSA, RSA, State, nationally and internationally;
- providing jobs in infrastructure provision, such as road, rail and port facilities operation, expansion and maintenance;
- contributing to government incomes that fund social services-royalties as well as company and income taxes paid by mining companies that are returned to fund social services for the community in the form of hospitals, schools, police, roads and welfare support;
- directly contributing to social and environmental programs; and
- returning profits to shareholders-including direct investors and superannuation fund participants (Department of Mines and Energy, 2007).

The economic impacts of mining industry activity are closely linked to levels of employment in the LSA and spending in the local economy. While the economic impact of the MEP on local and regional economies is provided in **Chapter 17-Economics**, a brief summary is provided below.

Local and regional businesses that are likely to benefit financially from the construction and operation of the MEP include:

- accommodation providers in the area who may see an increase in patronage for short-term accommodation. This impact is not expected to be significant due to the small number of additional employees required;
- local businesses expanding when contracted to provide goods and services to the MEP, as well as people employed by those businesses. Where possible, Peabody will encourage the mine operating contractors to utilise local suppliers and sub-contractors; and,
- businesses supplying perishable goods such as dairy products, fruit and vegetables.

The local towns of Moranbah and Coppabella will experience some economic benefits from the net increase in the population due to the MEP. The long-term economic viability of the local communities will, however, be dependent on establishing and maintaining economic diversity. This subject is examined further in **Chapter 17-Economics**.

It has been recognised that mining has led to the expansion of other sectors in the IRC to service the mining industry. It is not expected that the MEP will result in significant new business opportunities in the townships of Moranbah and Coppabella as the MEP will generate little additional demand for services beyond those already provided. However by extending the mine life all of the current employment and economic benefits are maintained, and slightly increased, for an additional 16 years.

### 15.6.8 Local Land Use

The majority of land that is proposed to be mined by the MEP is currently classed as Unsuitable for Dryland Cropping (Class 5) and ranging from Well-suited to Unsuitable for grazing (Classes 2-5). Details of a comprehensive land suitability survey conducted for the MEP to confirm the pre-disturbance land conditions can be found in **Chapter 7-Land**. The MEP area and surrounds has historically been used for low intensity cattle grazing. Current land uses include grazing and coal mining.

Land disturbed by the MEP will be returned to low level grazing land, where practicable. Disturbance categories that will not be returned to grazing land include voids, dams, tailings emplacements and remaining infrastructure including the access road. The principal mine rehabilitation objective will be to reconstruct disturbed lands to a stable and self-sustaining state. Final landforms will be constructed to achieve two general post mining land uses described in **Chapter 5-Rehabilitation and Decommissioning** as 'Areas Suitable for Grazing' and 'Areas Not Suitable for Grazing'.

The MEP is not expected to significantly diminish or discontinue the future use or development of surrounding areas for cropping, grazing, forestry, recreation, industry, education, aesthetics, or scientific or residential purposes beyond its existing capability.

Compensation agreements are currently in place between Peabody and any landowners likely to be affected by the MEP.

Access to culturally important areas and landscapes outside of the MEP area will not be affected by the EEP.

### 15.6.9 Education

The attraction and retention of skilled people and professionals in Queensland's rural and regional areas is often identified as a major issue. Skill shortages in certain professions can significantly affect standards of living and limit the capacity for regions to capitalise on their comparative advantages and socio-economic opportunities (Department of Transport and Regional Services, 2004).

Education and training levels in the local region are generally low, suggesting that the population may be vulnerable to downturns in the established economic sectors of mining and agriculture. It can also be a constraint on the ability of the community to initiate alternative economic opportunities.

Information provided by schools in the LSA suggests that most of the educational facilities in the area have capacity to take on additional students and that the provision of primary and secondary education will remain unchanged as a result of the MEP operation.

Recruiting and retaining teaching staff due to the lack of accommodation in the area was raised as an issue by education spokespeople. This is a long-term issue that needs to be addressed collaboratively by Local and State Governments and key stakeholders.

The level of impact that the MEP will have on educational services and the need for expansion of facilities and teaching staff will be determined by the number of workers who choose to move into the LSA and RSA with their families. Only five per cent of the operational workforce (or six families) are thought likely to relocate to the LSA or RSA.



The small number of additional employees is expected to have little or no effect on the demand for educational services in the LSA, RSA or MSA.

#### **15.6.10 Mine Closure**

Demographic and other changes in the LSA have seen Moranbah and Coppabella develop the characteristics of towns that are dependent on mining and therefore have increased vulnerability to mine closure.

The MEP will ensure an additional 16 years of mine life, with associated employment and economic advantages for the LSA. During this time, Peabody will develop a detailed mine closure plan well in advance of closure and decommissioning of the MEP to assess the impacts on the LSA and identify additional management strategies. The mine closure plan is further described in **Chapter 5-Rehabilitation and Decommissioning** and will be developed in consultation with appropriate stakeholders and DERM.

#### **15.6.11 Cumulative Impacts**

It is not expected that the MEP itself will have a significant impact on the LSA and RSA. However, if other mining developments proposed for the region are taken into consideration, some social impacts could result. Potential adverse cumulative impacts include:

- housing shortages, affordability and lack of suitability;
- changes in participation rates in community groups and sporting clubs;
- disparity between mining incomes and other occupations;
- transient population-includes people moving into and out of the area in search of employment, as well as leaving due to lack of further education and aged care services;
- non-mining skill shortages; and
- increased traffic on the Peak Downs Highway.

Potential positive cumulative impacts from mining include:

- enhanced security of existing businesses in the area;
- increased economic viability and wealth into the community;
- a buffer for the local economy from future economic downturns;
- increased number of skilled and semi-skilled positions available to the local community;
- promotion of Indigenous business opportunities and increased training/employment opportunities for Indigenous Australians; and
- increased population-increased participation rates in community groups and sporting clubs-leading to more viable ventures.

The *Coal Infrastructure Program of Actions* (DIP, 2008) identified the need to take industry-wide strategic planning for future growth in coal demand and production. A Coal Infrastructure Taskforce was established to develop the Queensland Coal Infrastructure Strategic Plan which will give an overview of future transport infrastructure expansions and will provide a summary of committed and planned infrastructure expansions as well as indicative capacity expansions to 2020.

As plans for additional mines to open or expand in the area are realised, cumulative impacts may be expected. In this context, the potential additional impacts from the MEP also need to be considered.

The Bowen Basin coalfield is one of Australia's primary coal mining areas. Sufficient known reserves exist in the Bowen Basin for over 200 years at current extraction rates (Department of Local Government, Planning, Sport and Recreation, 2006). The area directly surrounding the LSA has 15 operational mines, with a further 10 under consideration or in the early development stage. **Appendix F11-Social**, details the coal expansion projects and operating coal mines for the Moranbah and Coppabella area and shows that future development activity in the short-term is likely to be concentrated in this area.

The Global Financial Crisis (GFC) had a significant effect on mining companies in the Bowen Basin, with resultant job cuts and retrenchment of employees across the entire industry. Following the GFC, a number of resource companies are again seeking approvals in the Bowen Basin. The cumulative impacts of these projects will have a positive effect on the economic and employment markets, but more uncertain social impacts.

The townships of Moranbah and Coppabella, as well as the Mackay regional area, are currently experiencing a range of impacts from the mining expansion in the Bowen Basin. While these negative and positive impacts may be marginally compounded by the MEP, none are likely to be significantly affected by the EEP alone or become unmanageable in the near future.

There is a need for collaboration between the local mining industry and other external agencies to improve the capacity to monitor and manage cumulative impacts of mining on communities. This will enable the establishment of a monitoring framework to track trends in social capital, community well-being and environmental conditions. This has recently begun through the QRC's Social Policy Working Group. It is relevant to note that Peabody is a member of the QRC and is on a number of QRC committees, so is actively involved and keenly participating in both social and environmental leading practice programs.

Establishing key social indicators for the local community and a common set of social performance measures for local mining companies will be beneficial to enable the tracking of community perceptions of mine-related impacts.

## **15.7 MONITORING AND REPORTING**

Peabody will seek to continue the CRG meetings as part of their ongoing social impact management procedures. This will allow Peabody to:

- track the progress of implementation of mitigation measures;
- evaluate the effectiveness of social impact mitigation measures;
- provide information on progress and achievements to be relayed to the local community and government;
- facilitate dialogue with stakeholders; and
- provide for adaptive management and continual improvement, with monitoring results used to inform mitigation measures.

The results of the CRG meetings will be disseminated to the CRG members for ongoing reporting in the relevant forums.

## 15.8 SUMMARY

In isolation, it is envisaged that the MEP is unlikely to have a significant impact on the social well-being of local and regional communities by creating new issues or significantly compounding existing issues.

Overall, stakeholders were either neutral or supportive of the MEP. In order to maintain active stakeholder and community engagement activities, impact mitigation methods will be reviewed and further developed where consultation identifies the requirement. The operation of the MEP is not expected to significantly impact on the lifestyle, amenity or community cohesion of local communities in the LSA, RSA or MSA.

Social monitoring is proposed to be undertaken as part of the ongoing CRG meeting programs. In addition, current mitigation and monitoring programs for the existing Millennium Coal Mine will be extended to cover the MEP. Comments raised throughout the engagement and consultation process focused on impacts during the operational phase of the MEP. The most commonly noted issues were impacts to the availability and affordability of housing, employment opportunities, potential skill shortages and increased number of non-resident population. Other less frequent issues included traffic impacts, dust and economical viability of the community. The main body of this EIS assesses the potential environmental impacts which may result from the MEP and mitigation measures are proposed in **Chapter 20-Draft Environmental Management Plan**.

As an expansion project, rather than a greenfield mining approval, the MEP offers increased scope for a net economic benefit to the LSA, RSA and MSA, as well as Queensland, without the significant social or environmental costs associated with establishing a completely new mining operation.

## 15.9 REFERENCES

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## ANNEXURE A

### DRAFT SOCIAL IMPACT MANAGEMENT PLAN

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**A-1      Annexure A      DRAFT SOCIAL IMPACT MANAGEMENT PLAN**

The community consultation undertaken as part of the EIS process has encouraged an active and cooperative role for impacted communities, local authorities and government agencies. The consultation undertaken to date has reinforced Peabody's commitment to involving the community in the development of mitigation and management strategies.

A standalone Social Impact Management Plan (SIMP) which addresses the Social Impact Assessment: Preparing a social impact management plan (SIMP Guideline) and builds upon the mitigation and management measures proposed in this EIS, will be developed following MEP approval.

The SIMP Guideline indicates that 'a social impact management plan only covers the period from project approval onwards'. The SIMP will provide a framework for ongoing management of social impacts during the operation and decommissioning stages of the MEP. The development of the SIMP will involve consultation with relevant local, State and Federal government departments, local community and industry.

Specific details relating to the implementation of the SIMP, such as timing and responsibilities, will be further refined during the SIMP consultation and development process.

The following subsections address the requirements of the SIMP Guideline.

**ACTION PLANS**

Specific action plans for the implementation of mitigation strategies and measures will be detailed in the SIMP. As indicated above, these action plans will be developed in consultation with government, industry and the community and will build upon the mitigation measures proposed in the EIS.

The SIMP will outline the specific objectives, accountabilities and key activities relevant to each action plan.

**ACCOUNTABILITY AND RESOURCES**

Once finalised, the SIMP will be submitted to the DIP and will be made publicly available.

The delivery and implementation of the SIMP will include:

- integrating the social impact mitigation measures detailed in the SIMP into operation and decommissioning management planning; and
- integrating the social impact mitigation measures detailed in the SIMP into contractors' delivery and performance.

Specific accountabilities for the implementation and monitoring of the SIMP will be negotiated as part of the development of the SIMP. Those accountable for delivery of the SIMP will include Peabody personnel at the management, operations and contractor levels. The success of social impact mitigation and management measures will be monitored and reported as agreed upon.

## **MONITORING**

Peabody will implement a monitoring programme to achieve the following objectives:

- track the progress of implementation of mitigation measures and action plans;
- evaluate the effectiveness of social impact mitigation measures and action plans against a set of performance criteria;
- provide information on progress and achievements to be relayed to the local community and government;
- facilitate dialogue with stakeholders; and
- provide for adaptive management and continual improvement, with monitoring results used to inform mitigation measures and action plans.

Monitoring will commence following MEP approval with the details of the monitoring programme presented in the SIMP.

Peabody will undertake internal annual reviews of the SIMP. External review of the SIMP will be conducted at appropriate intervals.

## **REPORTING MECHANISMS**

The results of the SIMP monitoring programme will be reported annually in the CRG meetings for dissemination to the relevant community groups and local authorities. The results of the internal SIMP review will also be reported at this time, and will be forwarded separately to the Social Impact Assessment Unit of the DIP.

## **EVALUATION OF COMMUNITY ENGAGEMENT PROCESSES**

The SIMP will include a stakeholder engagement strategy which identifies the key stakeholders and their interests and describes actions to promote stakeholder engagement.

Peabody will review the effectiveness of the stakeholder engagement strategy by conducting periodic community surveys at relevant stages of the MEP, such as prior to decommissioning. The results of the community surveys will be analysed and used to refine the SIMP and implementation of mitigation measures.

## **PUBLIC ENQUIRIES AND COMPLAINTS**

Peabody has established a range of mechanisms to enable the public to lodge enquiries and/or complaints in relation to the MEP. These mechanisms will remain in place during operations and decommissioning of the MEP, and include the following:

- Peabody website, which includes phone, mail and email contact details;
- CRG meetings; and,
- community surveys.

Peabody has also developed mechanisms to respond to enquiries and/or complaints lodged by the public in relation to the MEP. These mechanisms will continue to be used during the operations and decommissioning of the MEP and include the following:



- recording of all enquiries/complaints received using the 'Consultation Manager' stakeholder management software;
- considering and implementing appropriate follow-up action(s);
- providing a verbal and/or written response to all enquiries/complaints informing stakeholders how their concerns and queries will be addressed;
- recording of Peabody's responses using Consultation Manager;
- compliance with Peabody's 'Dispute Resolution Procedure';
- direct response to enquiries and/or complaints during CRG meetings and recording via meeting minutes; and,
- annual reporting on enquiries, complaints and Peabody's responses.

## **DISPUTE RESOLUTION MECHANISM**

Peabody will adopt a proactive approach to community enquiries and/or complaints. Appropriate dispute resolution mechanisms will be enacted to handle grievances through the CRG forum. Any grievance that cannot be addressed by Peabody or through the CRG may be forwarded to a mediator such as the Social Impact Assessment Unit of the DIP, for consideration and advice.