

Media Release

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New Acland Coal Mine Assessment Deeply Flawed

The New Acland Mine proposal uses flawed economic modelling designed to overstate potential benefits of the expansion and neglects to mention impacts on air quality and health for surrounding residents.

The New Acland coal mine is applying to expand its operations in one of Australia's most productive agricultural regions, the Darling Downs. The mine has been controversial since it began, in its impact on the agricultural economy, and in clearing out the town of Acland where now only one resident remains.

Local complaints about air quality, noise, and impacts on agriculture are regularly brushed off by the proponents who claim these impacts are offset by the mine's economic benefits. However, analysis submitted to the Queensland Government today by The Australia Institute, has found that these economic claims are overstated.

"Rather than simply working out the costs and benefits of this project, New Hope Coal try to justify their claims with economic modelling described as 'biased' and 'abused' by the Australian Bureau of Statistics and the Productivity Commission," Economist and submission author Rod Campbell said.

"Claims that this project could inject \$17 billion into the Queensland economy are completely untrue. These estimates assume there is infinite labour and arable land in Queensland,"

"The Queensland Planning Department's own guidelines recommend against this sort of assessment." Mr Campbell said

The New Acland project is portrayed as the 'major employer', but the assessment points out that while mining employs just 2.5 per cent of the Darling Downs workforce, agriculture employs 10 per cent, five times the Queensland average. Negative impacts on agricultural employment are downplayed, while the mine's impacts are overstated.

Air quality and health issues are not factored into the economic assessment at all.

"Particulate pollution from coal mining and transport has an impact on human health, its cost is carried through to the economy in increased health costs and reduced

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worker productivity. There is no consideration of this in the New Acland economic assessment, although the issue has been well documented,” Mr Campbell said

“The Queensland government needs to get serious about assessing the merit of coal projects before waving them through. Until the New Acland project can show that the royalties it would generate outweigh the damage that it will cause to agriculture in the Darling Downs, the project should be rejected.”