

Media release

The NSW Department of Planning and Infrastructure has censored parts of The Australia Institute's submission on the Terminal 4 coal project.

The Institute's submission focuses on the economic assessment of the project and highlights a number of flaws in the economic modelling.

Almost a page of text showing the relationship between an "independent" reviewer of the project and the consultant who wrote the economic assessment has been redacted from the Institute's submission by the Department.

"The economic modelling overstates benefits to the region and ignores environmental impacts. Newcastle and Hunter Valley residents are owed a proper economic assessment of this project," Executive Director of The Australia Institute Dr Richard Denniss said.

Flaws in the T4 economic modelling include the use of export growth rates up to 12 times greater than through the mining boom. The modelling included estimates of coal exports out to 2083. Other criticisms include inflated estimates of coal price, royalties and taxes.

The real economic benefits of the project would come from a potential increase in coal royalties that the project may enable. But this needs to be weighed against the impacts of more coal dust, more mines in forested and agricultural areas and more impacts on water resources.

"Increasing coal dust in Newcastle has a serious effect on people's health and the economy. In 2005 a government study estimated that air pollution cost the Lower Hunter \$1 billion per year. There is no consideration of this cost in the economic assessment of the T4 project," Dr Denniss said.

Gillespie Economics' initial assessment of the T4 project was that it could be worth a staggering \$60 billion to the NSW community. When this estimate was criticised, the project proponents, Port Waratah Coal Services, responded that the economic assessment had been "independently" peer reviewed. It is the independence of this review that The Australia Institute's submission questioned and which has been blacked out by the Department of Planning and Infrastructure.

"Our submission legitimately raised questions about the independence of the economic assessment. Given the controversial nature of the T4 project, I find it extremely disappointing that the Department has chosen to restrict the amount of information available to the public," Dr Denniss said.

For media enquiries, please contact:

Odette Visser 0468 947 884