

Submission Cover Sheet

Fingerboards Mineral Sands Project Inquiry and Advisory
Committee - EES

410

Request to be heard?: Yes

Full Name: Peter Reefman

Organisation:

Affected property:

Attachment 1: P_Reefman_Subm

Attachment 2:

Attachment 3:

Comments: See attachment

24/10/2020

Dear Inquiry and Advisory Committee members,

I am writing this submission about the EES for the proposed Fingerboards mineral sands mine project. I am strongly opposed to this mine project in this area, with my concerns covering a range of different areas, but wish to focus on the risk management elements and the way these have been assessed by the proponents (Kalbar).

I moved to this area 6 years ago from Sydney as part of a tree-change. I built a holiday rental accommodation cottage near the top of my farm that has views over the Lindenow vegetable growing flats, and can see the telecommunications tower near the Fingerboards. Holiday guests have often praised the special place with the beautiful views and the tranquillity.

The likely areas of impact, should this mine proceed, cover a range of affected stakeholders, places, and environmental conditions, with tourism being one that I am personally involved in with the holiday accommodation facility mentioned above, that is within sight of the proposed mine area, making me an immediately interested stakeholder. However, I have a diverse range of friends and acquaintances who are significantly invested in farming on the fertile plains just to the east of the proposed mine site, with prevailing winds making their farms down-wind and down-hill of the mine site, some as close as 500 metres away. I wish to convey my concerns primarily around the potential impact on these farming enterprises, all of which are fundamentally family-owned business that have been operating in this region for generations, with this produce making up a substantial proportion of the fresh produce eaten by people in Victoria and New South Wales, and beyond.

I attended the community engagement event hosted by Kalbar that dealt with the agricultural and horticultural impacts. I spoke at that event on the short-comings of the proponent's approach to the range of risks to these businesses. Reviewing the Risk Register in the EES I was partially relieved to see that there remained some "Major" residual risks, but these all relate to biodiversity losses that can potentially be offset. Apart from one of the (only eight) Agriculture/horticulture risks in the risk register, all of the residual risks have been deemed to be mitigated down to "Low". The one risk remaining at "Medium" (Local employment) is in reality only a minor risk, as the skill-sets for the people employed by the mining operation will not overlap significantly with the current farming labour force, especially with the proponent indicating that their notion of "local" labour includes not only the wider Gippsland region, but potentially all of Australia! I would suggest that some of the other risk areas are of greater concern to the agricultural and horticultural businesses than this potential competition for labour.

As personal background I am a career project manager, managing a number of projects mostly in corporate settings in Sydney, with a number of the projects involving significant complexity. I gained accreditation as a Certified Practicing Project Manager with the Australian Institute of Project Management. Risk Management is one of the 10 core knowledge areas of project management, and I have dealt with risk significantly over approximately 20 years in my career. One of the key dimensions of risk management involves stakeholder engagement (another of the 10 knowledge areas – the knowledge areas are often inter-related). When preparing a risk assessment it is pivotal to engage with the stakeholders in virtually all steps of the process, as these will be the people who will be

able to identify what the risks are, which ones they are most concerned about, what they are prepared to accept as impacts, confirming aspects of the likelihood of those risks, and then being integrally involved as circumstances change and some risks become more or less likely, or the potential impact of those risks go up or down.

Very little of this has been done in this risk analysis by the proponent, Kalbar. It is true that they have held a number of community engagement events, but the perception of virtually all attendees that I've spoken with is that they went through the exercise so that they could tick off the "community consultation" boxes. Not one person I've spoken with felt that their concerns were being heard. Common were the platitudes of the proponent's representatives that "this will all be looked after", and that they would ensure that there were negligible negative impacts. This did not align with my own experience of stakeholder engagement, which in this case has demonstrated a stark lack of engagement with the wider impacted agriculture/horticulture businesses, and when it did supposedly engage, it was with pre-prepared positions, and very little evidence of open listening.

An additional area of concern for me is in one of the responses at the abovementioned event, that was offered by a representative of Kalbar on risk mitigation. This person stated that Kalbar had a list of over 100 steps or processes to manage the particular risk area being discussed. I was astounded at this, as it is fairly common knowledge that if a process involves such a large number of steps/checks/processes, especially where there is little at stake for the checker, that such a process becomes just a routine and casual affair, with complacency a very common development in staff doing these checks. As a result, developing issues are not adequately attended to. A good example of a personal stake is a commercial pilot who goes through an extensive checklist before take-off – the pilot's life is on the line if things go wrong! I believe that the Deepwater Horizon disaster (<https://www.britannica.com/event/Deepwater-Horizon-oil-spill>), while much more significant in impact than something likely to happen here, is still a strong indication of what can happen when there is inadequate attention given to complex risks. An employee of a mining operation like this is highly likely to take a rather cursory approach to these many mitigating elements, thereby *creating* an *additional* risk due to the large number of steps, and complexity involved. Especially when this is juxtaposed to this proposed mine being in such close proximity to an intensive agriculture set of businesses, does this seem like an encouraging approach to addressing risks?

As mentioned above, the proposed mine area is immediately up-wind of this major food bowl for Victoria and New South Wales. This food bowl area includes one of Australia's largest certified organic farms. Gaining this certification is a significant and multi-year undertaking (<https://aco.net.au/Pages/Certification/Horticulture.aspx>). The over-burden portion of the soil profile contains monazite and other components that are not compatible with organic certified produce. With hot, dry winds in summer being a regular feature of this region it will be extraordinarily difficult to maintain dust suppression of the large over-burden piles that will be required, especially given that the ore body is at times up to 40 metres below the surface. While the proponent points out that these minerals exist at the surface, my understanding is that these hazardous substances are in greater concentration at depth, and the amount of contaminated dust during hot and windy conditions is likely to be considerably more than the proponent's optimistic view on dust suppression. A hot windy day could potentially wipe out the organic certification of this business, with a long and uncertain prospect for regaining it likely, especially if the mining operation continues

during this period. While it could be said that if this happens, the affected party could sue for damages. However, with the need for proof of the source of this, and other legal processes that may take considerable time, all while the business is significantly wound down, this is in reality a tenuous opportunity. Is this considered part of the traditional Australian “fair go” approach?

The other farming enterprises in this food bowl are not exempt from major damage either, even though the Kalbar risk matrix suggests otherwise, especially in Risk Register item 3 in the Horticultural/Agricultural Production section. I have worked for a short while at Woolworths in their head office in Sydney. I interacted with some of their senior supply chain people on some of the projects I managed there. I can assure you that if there is a perception of any risk to Woolworths’ reputation as the “Fresh Food People” in the event of a contamination event that Woolworths, and the other major supermarkets, would almost instantly cut supply from this area, leaving many of the growers with major cash-flow issues, and limited options to rapidly seek alternative sales outlets, which would of course be compromised by the contamination issues. Does this seem like a scenario that fits within a “mitigated down to a residual minor risk” result?

Additionally, in this risk register item, the proponent indicates a range of measures to assist in offsetting the perceived impact of being in close proximity to a mining operation. The elements proposed (such as “An annual local community event will be supported that attracts visitors to the region, such as a Harvest Festival, and/or support the East Gippsland Veg Innovation Day”) are already a key focus of many of these businesses, and could scarcely be accepted as actions undertaken or facilitated by the mining operator to mitigate the risk down to “Low”. Is it reasonable to be claiming current business practices for the potentially affected farming enterprises as one of the proponent’s mitigating measures? Surely that is somewhat farcical? As is another of the proposed mitigating elements in this risk item where the proponents suggests “Local growers will be encouraged to obtain EnviroVeg or Freshcare environmental certification as evidence of ‘clean green’ production under an environmental management system” when that very ‘clean green’ status is under threat from this proposal! Astoundingly, the first element in mitigation on this risk item states “... including providing objective and factual public communications”. Given how many misleading “truths” have been published/broadcast by Kalbar that have subsequently been debunked under scrutiny by members of the public, this mitigating option beggars belief.

I also have other major concerns, such as the competition for at-times scarce water resources, potential contamination of the Mitchell and Perry Rivers, with down-stream impacts on the Gippsland Lakes and our linked Ramsar-listed wetlands, especially with very large tailings dams that have a well-documented high rate of failure. I’m profoundly disappointed that indigenous cultural heritage sites can be written off with similar ease to the recent Juukan Gorge debacle.

While my submission is based primarily in the risk management domain that overlaps strongly with my area of expertise, I am also concerned with the Draft Planning Scheme Amendment (Attachment C), with the way this effectively extends by almost double the actual project area. It is true that there is no intent to scrape off 30 to 40 metres of overburden, but there seems to be significant infrastructure intending to be developed within this significant footprint. And there remains at this late stage a lack of clear direction in what will actually be done, leaving significant uncertainty for a protracted time for the

people living in the indicated areas. I accept that there would need to be some linked works outside the project boundaries, but the open-ended nature of these listed works suggests that there may be significant variations from what is currently listed, which may have major impacts on the people in and near these two envelopes, and presumably with limited involvement or stakeholder engagement during possible future revisions to plans for these areas. The quoted alignments with planning guidelines for doing these developments:

The amendment implements the following relevant objectives of planning in Victoria:

- *To provide for the fair, orderly, economic and sustainable use, and development of land (s.4(1)(a)).*
- *To provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity (s.4(1)(b)).*
- *To facilitate development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e) ((s.4(1)(f)).*
- *To balance the present and future interests of all Victorians (s.4(1)(g)).*

Seem to me to not actually align all that well, even though it is clear that at least some of the works are justified to enable the mine to become operational. I also found it intriguing that on page 7 of this attachment that it referred twice to NSW in noise criteria/policy, even though this is well south of the NSW border! This seemingly minor oversight does add to my concerns about the thoroughness of how the proponent is likely to address the operation of the mine, should it be given permission to proceed. The concern re complacency that I mentioned above seems an apt alignment. And given that the people from Kalbar have had many years in which to collate this EES it heightens my concern even further. If one cannot be trusted with small things then should they be trusted with much larger ones?

One final consideration I would like to raise is that I am deeply sceptical of the integrity of the EES process itself, where the proponent puts together the document using sources that can be dismissed if the results are not to the proponent's liking, and a significant amount of "cherry-picking" can be done of the various study details. It is inherently problematic to have the major potential beneficiary also be the party that prepares the document that is supposed to highlight the potential down-side risks of their proposal. Is it at all surprising that the presented outcome is one of manageable risk with minimal disruption? This may well not be the place in which to agitate for change to how the EES is performed, even though some years ago the weaknesses were highlighted and plans put forward to rectify the problems, but that sadly these reforms have not eventuated yet. But against the backdrop of this known weakness it is not without merit to be conservative in assessing this particular EES, and add a touch of scepticism around the proponent's claims, and give a significant weight to concerns raised by stakeholders (including the natural environment that has no voice of its own) that would have significant negative potential outcomes.

While this proposed mining operation could produce significant mining royalties for Victoria, it should also be put into a bit of perspective. The intent at this stage is for the concentrated ore to be shipped to Asia (some information suggests this is likely to be China). With the make-up of the ore, the key result will be helping Asian people to have a stable supply of white pigment for paint, and some key ingredients for ceramics. Kalbar has been using images of wind turbines to suggest it is helping to support renewable energy, presumably due to the rare earths it has of late included in the profile of the ore body. However, with China having the vast share of currently mined rare earths internationally,

against the quality/concentration of the Chinese rare earth ore bodies, the comparatively tiny amounts of rare earths in the Fingerboards deposits will scarcely be worth any Asian rare earth processors' interest. Might it be a bit duplicitous putting wind turbines so prominently in Kalbar's promotional materials?

I appeal to you to review this EES against a backdrop of a large and sustainable food-producing area that employs thousands of people, where the businesses invest heavily in their local community and employ local people, with the employers actually living where they work, and therefore being committed to maintaining their home/work as a safe and healthy environment. Let's also put a vote for growing healthy food for our own people, against considering how important it is for a foreign country/region to have slightly more reliable supplies of white pigment and ceramics.

I thank you for the opportunity to raise my concerns about this proposed mining operation. I wish to confirm that I am not anti-mine, which would be hypocritical as I use a lot of advanced technology that relies on mining. I am in this case strongly opposed to THIS mine in THIS location, as it represents a significant risk to a major food growing area of Victoria and Australia, and I believe we should be prioritising food production and food security over what appears to me to be a less than crucial, non-renewable mineral resource. The on-going operation of these food growing businesses will generate long-term tax revenues for both Victoria and Australia, long term employment for this region that is currently recognised as being at a low socio-economic level compared to many other regions of Victoria, and despite assurances by Kalbar of economic benefits to the region, these benefits are likely to be small, ephemeral, and tenuous, especially if any of a number of risks become realised. With some of the risks I've raised, and a number of others that I haven't included as I didn't wish to stretch this out to a 50 page submission, if these become incidents then the outcome would likely be a significant nett decrease in regional prosperity, with the legacy of some of these potential issues leaving multi-generational harm, not just to people's livelihoods, but also to the natural environment.

Note that I wish to speak to my submission at the public hearing planned for early 2021.

Peter Reefman.