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PIA SUBMISSION TO SOCIAL IMPACT ASSESSMENT - DRAFT GUIDELINES FOR STATE SIGNIFICANT MINING, PETROLEUM PRODUCTION AND EXTRACTIVE INDUSTRY DEVELOPMENT: DECEMBER 2016

The Planning Institute of Australia NSW (PIA) is pleased that the Department has published the Social Impact Assessment - Draft Guidelines for State Significant Mining, Petroleum Production and Extractive Industry Development (draft Guidelines). PIA considers that this is a very positive step demonstrating leadership by NSW in the discipline of social impact assessment (SIA).

To date, there have been no State guidelines or policies regarding this critical facet of social planning, so the draft NSW Guidelines represent a significant improvement by offering greater clarity and certainty on what should be involved in the social impact assessment process.

This improvement is applicable to other industries beyond State Significant Development (SSD) for extractive industry. PIA recommend work commence on the adaptation of the final guidelines to State Significant Infrastructure and a wider range of development types. This should be done in consultation with industry, community and professional groups and practitioners.

PIA has also been pleased to be part of the Department’s ‘Academics and Practitioners Workshops’ for this project, which we consider has provided an excellent forum in which to contribute detailed comments to the development of the draft Guidelines. We hope that this forum can continue to have input into these, and other social impact or social planning issues. We welcome the opportunity to continue to participate in these forums.

PIA has a SIA Position Statement (2010) that is included in Attachment A for your reference. The draft Guidelines have therefore been assessed by PIA through the lens of this Statement, as well as its members’ experience of best practice SIA, knowledge of the mining industry in NSW and the objects of the EP&A Act.

PIA is generally supportive of the contents of the draft Guidelines, but would like to comment on a number of key areas where we can see area for improvement:

1. Purpose, definitions and objectives
2. Articulating types of social impacts
3. Recognising different scales of impact and equity
4. Engagement with affected individuals and groups
5. Professional qualifications and skills
6. Peer review
7. Integration between environmental impact studies
8. Difference in requirements for Pre-lodgement and Application Stages
9. Cumulative impact
10. Comparable developments
11. Predicted and actual impacts
12. Relationship to Voluntary Planning Agreements
13. Monitoring and adaptive management
14. Sources for social baseline study and impact analysis

We provide an outline of these below.

1. Purpose, definitions and objectives

PIA recognise that the primary audience for the Guidelines are proponents (as stated in the document). It is however critical that the document also articulates that it is provided for SIA practitioners, the community and consent authorities so that all parties are provided “… with a clear, consistent and transparent framework….”

PIA suggests that an additional objective be provided relating to procedural fairness. This is important as it reinforces trust in community/stakeholder expectations on their involvement in the SIA process.

PIA considers that a more robust definition of ‘social impact’ is required, and also that definitions relating to ‘community’ and ‘social’ need to be stated. This was discussed in detail at the second Academics and Practitioners Workshop.

2. Articulating types of social impacts

PIA appreciates that the Department did not want to attempt to list every possible type of social impact relating to SSD in section 1.1 or Appendix A. However, key issues of concern to communities and practitioners do not appear in the document in the ‘community’s language’. It is recommended to include the following typical social impact issues in the document:

- housing affordability and availability
- provision of social infrastructure (eg education, health, community services, public transport)
- equity of local and regional income
- local and regional employment and training opportunities in both the resources and non-resources sector
- employee travel and fatigue

3. Recognising different scales of impact and equity

It is critical that the Guidelines recognises throughout the document that for any one SSD proposal, there will be a number of different geographic and temporal scales of impact, affecting different individuals or communities at different intensities. These variations should not be simplified into a dichotomy of ‘local’ and ‘regional’ categories; neither should simple ‘catchment lines’ be drawn around an SSD to define the scales of social impact. It is well understood that social impact cannot be reduced
to strict definitions or maps of impact as other environmental impacts can be. It is also important that both negative and positive impacts are properly identified, articulated and assessed in this context.

PIA’s SIA Position Statement considers that a critical aspect of an adequate SIA is that “the relative equity of impacts is identified. It is important to identify how the benefits and losses will be distributed to different sections of the community”.

A separate section should be added to Part 2 to clearly address this issue and provide a clear framework for SIA preparation. It also needs to be addressed in Part 3 PEA Performance Objective 2.

As an example of the difficulty of a dichotomy of ‘local’ and ‘regional’:

- ‘local’ impacts may be apparent in the following geographic areas, some of which could overlap, and most of which will be experienced differently by different demographics within the community:
  - properties within the zone of affectation of the proposal
  - neighbouring properties to the zone of affectation
  - nearby individual properties or settlements
  - local settlements (villages and towns) in different directions from the project, each of which may experience different impacts
- ‘regional’ impacts could appear in the following geographic areas, and be experienced differently by different demographics within the community:
  - any towns within a particular radius of the project; and/or
  - the generally accepted region and its major settlement(s), even if some of those settlement(s) are also considered to be ‘local’.

PIA considers that all of these examples above should be analysed by an SIA, overlaps recognised, and simple dichotomies or definitions avoided.

4. Engagement with affected individuals and groups

PIA fully supports the extensive requirements in the draft Guidelines for early, focussed, impartial and meaningful engagement with the range of likely affected individuals and groups in the community. PIA’s SIA Position Statement considers that a critical aspect of an adequate SIA is that “the process includes effective, timely and transparent public involvement.”

It is critical that the SIA community engagement has a clearly defined process. While it may potentially run parallel to the general project engagement process conducted for the remainder of the EIA, separate sessions focussing exclusively on social impact should be mandatory. The depth and breadth of such sessions will be project-specific.

The comments in section 3 above relating to different geographic scales of impact are also relevant to the consideration of the design of social impact engagement.

Affected ‘groups and services’ should also be acknowledged throughout the document. This should specifically include local government and state, federal and community based service providers, as well as relevant community organisations, and employee groups.

Appendix B could include a requirement that focus group or individual discussions should be made without the proponent or their representative being present, if requested by the participants in any
particular engagement. (only the SIA practitioner(s) and possibly representative of DPE, should be present at such times to allow for free and frank discussion if need be).

5. Professional qualifications and skills

PIA’s SIA Position Statement states that “Social impact assessment should be undertaken by appropriately trained and qualified personnel using rigorous social science methodologies and with a high degree of public involvement”. On this basis, PIA generally supports the content of section 2.1 of the draft Guidelines.

However, PIA disagrees with the suggestion to involve the community in selecting the preparer of the SIA. This is open to a perception of bias and should be avoided. It is also not a requirement of any other planning and social process.

PIA suggests that this section list preferred professional organisations that provide their own system of professional conduct oversight. These could include PIA, AIA, EIANZ. For example, PIA’s ‘Registered Planners’ meet the highest industry experience, education, competency and ethical standards.

6. Peer review

PIA supports the proposal for peer reviews of SIAs and understands that the Department is working separately on the issues of peer review and professional standards. PIA would like to be included in any discussions regarding this issue.

7. Integration between environmental impact studies

Table 2 ‘Guiding principles for SIA’ acknowledges that the SIA should be ‘Integrated’ ie “that the assessment should leverage data and analysis from other specialist studies undertaken for the environmental impact assessment to avoid duplication and double counting”.

PIA considers that the reverse should also be stated ie “that other specialist studies undertaken for the environmental impact assessment should leverage data and analysis from the SIA”. In particular, other specialist studies should be mindful of Table 1 (Vanclay’s Matter categories to consider when identifying social impacts).

8. Difference in requirements for Pre-lodgement and Application Stages

The difference in depth, scope and quality of information required at the pre-lodgement and the SIA stage should be better articulated, particularly relating to specific requirements for engagement. There was in-depth discussion regarding this issue at the second Academics and Practitioners Workshop. A revision of Figure 1 would greatly assist.

PIA fully supports a rigorous approach to the assessment of the significance of impacts, both at the PEA and SIA stages. In this regard, more effort needs to be put into refining PEA Performance Objective 3 and the accompanying Tables 3 and 4. To support the initial PEA analysis, more thought must also be given to fleshing out EIS Performance Objective 3.

9. Cumulative impact

PIA sees the NSW SIA process as an opportunity to better address some of the cumulative impacts of SSDs. These issues often become the prime concern of affected communities.
At present, each SIA is asked to address cumulative social impacts in its region, in isolation from other SIAs doing the same thing. It is entirely possible for each project to input data into a centralised collection of quantitative social impact indicators so that regional cumulative impacts can be more accurately determined. For example, an increase or decrease in project construction and operations workforces generates the need for additional (or less) housing, education, health services etc. The cumulative impacts of these changes are better understood by a centralised model using consistent data and indicators, rather than being assessed haphazardly by individual projects with limited information. PIA would be happy to contribute to the development of such a model. Such a cumulative type model is often used in traffic assessments, with Councils or Roads and Maritime Services retaining the model which specialists use.

Appendix A should reference cumulative impacts, and not just in relation to adjoining land uses.

10. Comparable developments

The identification of “comparable developments” and the use of “SIAs completed for similar SSD resource projects” in PEA Performance Objective 3 requires refinement. A ‘comparison’ through a social impact lens can be measured on many aspects. For example, a ‘comparable’ mining project may be comparable (or not) in one or more of the following aspects:

- projected employment size or loss
- number of properties in zone of affectation
- proximity to a settlement or land use
- new site or modification

11. Predicted and actual impacts

Where SIAs make assumptions regarding particular social impacts, they should be required to show both the predicted and actual impacts of comparable developments. This is a key feedback loop for SIA that has not been addressed. Assumptions should not be replicated in subsequent SIAs without testing the initial assumptions against the actual impacts experienced. The use of a centralised cumulative impact model (as discussed in section 9) could facilitate this. A more rigorous monitoring method (as discussed in section 13) would also assist.

12. Link between SIA and Voluntary Planning Agreements

EIS Performance Objective 4 recognises that “Commitments in relation to local government services and local roads and infrastructure will typically be formalised through a voluntary planning agreement”.

PIA strongly advocates that:

- the SIA provide the justification for items included in a VPA related to social infrastructure;
- items included in a VPA be commensurate with the predicted impacts of the project; and
- the proposed Voluntary Planning Agreement Circular, Notes and Direction should specifically reference the Guidelines, and make it clear that the SIA is the document where any social infrastructure must be justified.

PIA provided a submission to the Department on 31 January 2017 regarding the Voluntary Planning Agreement Circular, Notes and Direction, and the comments above should be considered in conjunction with that earlier submission.
13. Monitoring and adaptive management

PIA supports EIS Performance Objective 5 for “ongoing monitoring and adaptive management of social impacts”. PIA would like to see more detail and guidance regarding this issue – especially via a dedicated SIA section of the DPE website, and would be pleased to contribute to its development over time.

14. Sources for social baseline study and impact analysis

The following details are suggestions for additions to Appendix D:

Relevant secondary data sources may include (but are not limited to):

- Publications that monitor social impact data for similar SSD resource projects and/or other forms of development in the locality (note the subtle difference between this and the SIAs of comparable developments)

Care should also be taken when interpreting and determining the value of data, with particular attention paid to:

- Avoiding the use of averages and medians when other more specific data is available that will better profile the issue and provide more meaning to the SIA and future monitoring
- Ensuring that data used is quoted and interpreted at the correct geographic scale (e.g., local data is not taken to represent regional indicators or vice versa)

Conclusion

PIA strongly support the leadership shown by the NSW Government in preparing the SIA guidelines for extractive industry SSD. After consideration of the comments made in our submission, we urge the Government to finalise the guidelines and commence the adaptation of the guidelines to a wider range of State significant industries, development and infrastructure.

PIA is committed to working with the Government on the guidelines and can be contacted via John Brockhoff (PIA Principal Policy Officer on 0400 953 025). PIA would like also like to acknowledge the major contribution of our members Jan Fallding and Tim Browne in the preparation of our submission.

Yours sincerely,

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President, PIA NSW
ATTACHMENT A

PIA SOCIAL IMPACT ASSESSMENT POLICY POSITION STATEMENT (2010)


BACKGROUND TO PIA GUIDELINES

Impact assessment is a method for predicting and assessing the consequences of a proposed action or initiative before a decision is made. The aims of impact assessment are better decision making processes and better outcomes from decisions.

Economic and environmental impact assessments are well established processes in planning and are widely used. Social impact assessment (SIA) refers to the assessment of the social consequences of a proposed decision or action, namely the impacts on affected groups of people and on their way of life, life chances, health, culture and capacity to sustain these. A triple bottom line approach to planning decisions includes social impact assessment in impact assessment processes.

To date, most planning practice has given less attention to social impact assessment than to environmental and economic impact assessment. Many impact assessments omit social issues altogether while others consider too narrow a range of issues. It is common to find that demographic profiling and community consultation have been substituted for social science research finding and that the impact statement is based on speculation rather than assessment. As a result of these practices, PIA is concerned that actions have sometimes been taken, and decisions made, on an ill-informed basis and which did not foresee some serious social consequences before they eventuated.

PIA POSITION

1. Impact assessment is an important part of planning and decision making processes.
2. Proposals for change which require an environmental or economic impact assessment also require a social impact assessment
3. Social impact assessment of policies or plans should be sufficiently robust to anticipate the impact of proposals made under the plan and minimise the need for further assessment.
4. Without limiting the matters in regard to which a social impact assessment may be appropriately required, proposals for:
   a. larger developments, including: major retail, sports or social infrastructure proposals,
   b. a significant change of land use, including: new highways, loss of agricultural land,
   c. sale or rezoning of publically owned land,
   d. new planning policies and plans amendments to them, and/or,
   e. controversial uses or increases in intensity (e.g. brothels or gun shops, or of gaming or liquor outlets), should be fully assessed for their social impacts in a SIA.
5. Social impact assessment should be undertaken by appropriately trained and qualified personnel using rigorous social science methodologies and with a high degree of public involvement.
6. A social impact assessment should be a public document.

POLICY PRINCIPLES

PIA recognises that planning practitioners are increasingly aware of the importance of social impact assessment and that inadequate treatment of social issues in impact assessment is not good practice.
This policy statement supports good impact assessment practice by planning practitioners and the improvements in planning and decision making which SIA is intended to achieve.

A number of guidelines are available to assist social impact assessment practitioners. These documents confirm that the following are critical aspects of an adequate SIA:

i. The process is undertaken by a competent, professional social scientist and uses rigorous social science methodologies.

ii. The process includes effective, timely and transparent public involvement.

iii. The baseline (pre-change) situation is adequately researched and documented.

iv. The cope of proposed changes is fully described.

v. Examples of similar changes are identified, including impacts likely to affect minority groups, different age, income and cultural groups and future generations.

vi. Direct as well as indirect, long term and short term, positive and negative, passing and accumulating impacts are identified.

vii. The relative equity of impacts is identified. It is important to identify how the benefits and losses will be distributed to different sections of the community.

viii. Impacts over time and location are considered (e.g. local as opposed to state and national benefits and losses.)

ix. Impacts which are not amendable to precise measurement are not excluded from consideration – the assessment is not evaluation not a proof.

x. A review mechanism is included where appropriate.

xi. The precautionary principle is applied in making an assessment.

A social impact assessment may give rise to recommendations for mitigation if the proposed change goes ahead. Like social impacts, mitigations should be properly researched to establish their effectiveness in dealing with identified impacts and should address inter- and intra-generational equity. However, mitigations are not impacts of the proposed change.

REFERENCES