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Australian Coal Association warns of mine closures in the Western coal fields

The Australian Coal Association today warned of possible mine closures and job losses caused by the Federal government's proposed new emissions tax on coal mines.

Executive Director of the ACA Ralph Hillman met today with members of the Lithgow Council and said areas such as the Western coal fields will be hard hit by the proposed new tax on coal mines that will cost the industry more than \$14 billion over 10 years.

Mr Hillman said the government's proposed tax may force the early closure of up to eleven mines in New South Wales resulting in the loss of over 6000 coal mining and other jobs.

"We estimate the new tax will add an average of \$4.00 per tonne to the cost of mining coal in Australia", said Mr Hillman.

"Since the launch of our '*Let's Cut Emissions. Not Jobs*' campaign there have been thousands of visits to the website and over 9,000 emails sent to local members of parliament protesting against the new tax on coal mines. The campaign will run until the Senate vote on 26 November.

"I have been travelling through the coal regions of Central Queensland and New South Wales and people I've met during our grassroots campaign want to see action to reduce harmful carbon in the atmosphere. However, they agree that there is no point in cutting jobs for no reduction in global carbon emissions.

"The federal government has been critical of the campaign but has not been able to deal with our core message - this new tax will cut jobs but not cut global emissions", said Mr Hillman.

The ACA advertising campaign continued this week to warn coal mining regions that the proposed new tax will potentially make some mines in the Western coal fields uneconomic and will prevent others from opening leading to thousands of jobs disappearing in the nation's coal industry.

Mr Hillman said "The Australian coal industry accepts the science of global warming and supports action to reduce harmful carbon in the atmosphere".

"Our industry is spending a billion dollars over the next 10 years in developing technology to cut carbon emissions from coal fired power stations by up to 90% and we support the introduction of a fair emissions trading scheme. Coal wants to pay its fair share. It's the unfair share we object to.

"The Federal Government's proposed carbon reduction scheme is badly flawed in its treatment of coal. The proposed plan would not cut carbon emissions while costing regional New South Wales thousands of coal industry jobs", said Mr Hillman.

Independent economic modelling of the impacts of the proposed carbon reduction scheme predict that 16 coal mines will close prematurely and more than 9000 direct and indirect jobs will be lost in the first nine years of the scheme.

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The ACA conducted extensive public research in regional Australian to gauge the level of community understanding and knowledge about the Federal Government's new carbon tax regime.

"This research confirms that that coal mining communities have not been properly warned of the damaging consequences of the federal government's Carbon Pollution Reduction Scheme in its current form on regional Australia", said Mr Hillman.

"This advertising campaign is providing people in regional New South Wales with information about the new carbon tax and explaining how it will affect coal mining communities and other centres heavily dependent on a strong coal industry.

"People need to understand that mines will close and thousands jobs could go as a direct result of the proposed tax. Even more frustrating is the reality that global carbon emissions will not be reduced.

"Every tonne of coal not produced in Australia as a result of to this tax will simply be produced by our competitors who are not being penalised in the same way by their governments.

"Independent modelling predicts that return on investment at some coal mines will be cut by up to 15 per cent by this new tax which will make mines overseas more attractive.

"Both the United States and European Union have specifically rejected taxing coal mines and both produce far higher emissions than we do.

"There is time for the government to change tack on this flawed scheme.

"The new tax is expected to be voted on by the Senate in November and we are asking people to contact their local MPs to voice their concern about the consequences for coalmining communities and regions.

"We think it's a fair question - Why should Australian jobs go while carbon emissions stay the same?" Mr Hillman concluded.

People can learn more and lodge their protest by visiting our website www.CutEmissionsNotJobs.com.au
For further information please contact:

Ralph Hillman
Executive Director
0429-083-820

Jo Lynch
Media Relations Adviser
0411-208-101

Biography: Ralph Hillman Executive Director

Mr Hillman was Ambassador for the Environment and chief negotiator for Australia on the Kyoto Protocol from 1998 to 2002. He was appointed as Executive Director of the Australian Coal Association in August 2007.

He was Ambassador and Permanent Representative to the OECD from 1995 to 1998. From 1994 to 1995 Mr Hillman was Chief Economist in the Department. He was formerly a senior career officer of the Australian Department of Foreign Affairs and Trade and has extensive experience in multilateral economic policy and diplomacy.