

## CHAPTER 4

### SOCIAL & LOCAL ECONOMIC IMPACTS

*Term of Reference (1) (a) (iii) the possible impact of the power line and the accompanying land resumptions <sup>1</sup> on the social fabric and local economic viability of surrounding communities, including the likely loss of agricultural land.*

*and*

*Term of Reference (e) the adequacy of the community consultation process undertaken by Government bodies with those people and local authorities in the areas which will be affected by the power line.*

#### **Introduction**

##### *Depth of Community Concern*

4.1 The number of submissions sent to the Committee, and the depth of feeling contained within them, made it clear that there is widespread opposition to Eastlink. This opposition comes mainly from the areas directly affected, but is not confined to those areas. Submissions were sent from urban areas not affected directly by the power line, and from wider community groups such as Greenpeace and Australian Conservation Foundation.

4.2 As well as formal submissions, 1032 form letters, 91 survey forms, 143 questionnaires and a number of petitions with a total of 2658 signatures, all opposing Eastlink, were sent to the Committee.

4.3 The submission from the Wandsworth Community, which expressed complete opposition to Eastlink, was signed by 20 people. The Bald Blair Action Group stated in its submission: 'We wish to make it absolutely clear that the people of Bald Blair aim is to prevent the construction of an unsightly and environmentally unfriendly high voltage transmission line through their community'.

4.4 The Guyra Shire Council expressed opposition to the construction of Eastlink throughout the Shire and stated that it supported ratepayers in their opposition to it. In the Lockyer Valley, there was 'widespread opposition to the proposal, with virtual unanimity of all interested parties ... including affected landholders, business people, Shire Councils, and environmental groups. Submissions were received from 6 schools in the south-east of Queensland, all expressing complete opposition to the proposal.

##### *Issues of Greatest Concern*

4.5 Of the 274 submissions sent to the Committee, the vast majority were letters from individuals or families directly affected by the Eastlink proposal. The points most commonly raised were:

- that there were perceived dangers to health from exposure to ENTE particularly for children living in close proximity to the power line;
- that the money spent on Eastlink would be better spent on alternative renewable energy generating systems, or on research on such systems;
- that interconnection through Eastlink would continue the use of large generating systems and in particular large coal fired power stations, which would not only not reduce greenhouse gas emissions but may increase them;
- that the visual impact would detract greatly from the natural beauty of the areas through which it passed;
- that the impact on land values would not be properly recognised by the power authorities and that therefore compensation would be inadequate;
- that already the proposal was having a detrimental impact on landholders trying to sell their properties, on the mental and physical health of landholders along the proposed route and on their marital relationship and
- that there would be other, uncompensated impacts such as disturbances to communications systems (2-way radios and mobile phones, essential during emergencies such as bushfires) and to TV reception; increased fire frequency, and damage to the surrounding natural environment.

#### **Impact on Agricultural Land**

4.6 The actual loss of agricultural land will be minimal as the land through which the line passes remains in the ownership of the landholder who is, for the most part, able to continue using that land as it has been used in the past. The Transmission Authority makes specific negotiations with each landholder about the alignment of the route to ensure that loss of productivity is kept to a minimum. The owner may be compensated by the power authority for costs and losses incurred through the construction of the line on private land. Costs for which the landholder can be compensated include the relocation of structures such as houses, sheds, fences and airstrips, while losses may include reduced land value through reduced amenity and loss of aesthetic appeal.

4.7 *Transgrid* argued in its submission that, except for the immediate area occupied by a tower, 'a transmission line should cause no loss of productivity of agricultural land. Sufficient clearance is provided under the wires for the safe operation of agricultural machinery and crops can be grown across the easement without problems. Stock will graze quite contentedly under a transmission line.'

4.8 However, some changes to agricultural practices would be necessary as a result of the installation of the line. The most important of these are the aerial spreading of fertilisers, aerial spraying of crops and pastures and the use of large mobile irrigator systems. Power lines interfere with all these activities and alternative practices have to be used.

#### *Loss of Agricultural Facilities*

4.9 Many properties and in particular large properties have their own airstrips to facilitate the spreading of fertilisers and agricultural sprays. The close proximity of a power line renders these airstrips inoperable and, on smaller properties, may even mean that there would no longer be any safe site for an airstrip. These airstrips are vital to the good management of grazing and cropping properties and they must be carefully located having regard to the safety of take-off and landing, the proximity of access roads and the geography of the general area. There is often only one good site for an airstrip on a property, or only one in a particular district and they are expensive to construct in all but highly suitable natural areas. Through the generosity of some property owner, they are often freely used by less advantaged neighbours.

4.10 If the power lines do not actually render the airstrip inoperable, they will in many instances prevent aerial agricultural operations over much of the land of some properties. One submission stated: 'The proposed Eastlink High Voltage line, Western Corridor goes beside the two homes on our two properties (4 miles apart) ... The AERIAL SUPER PLANES would not be able to spread super over much of our land'.

4.11 Another submission stated:

Airstrips were one particular area where problems were not recognised [by the power authorities]. We were told they would be relocated if power lines prevented their use, or a neighbour's strip could be used. Both these options are not feasible. Relocating an airstrip would mean massive re-fencing of paddocks, if indeed, a suitable area could be found. Use of a neighbour's airstrip would mean added costs to fertiliser bills, as super planes would have to fly longer distances with each load, and could be very inconvenient for the neighbour, who would have to move stock from the airstrip paddock. It would be a big imposition on a permanent basis. Would Pacific Power [*Transgrid*] pay for the use of a neighbour's strip forever?

4.12 The Bald Blair Action Group stated in its third community response to the Eastlink Corridor Selection Study: 'with respect it would appear that little regard has been shown for the issues raised in two previous submissions ..., particularly those relating to the importance of agricultural airstrips ... .' The submission goes on to point out the importance of aerial agriculture to the region as the most practical way of introducing and replacing essential elements into the soil, of controlling weeds in crops and pasture, and of controlling insect pests. The submission also argues that power lines in the Armidale region are particularly dangerous because of the frequent low cloud and fog.

4.13 Mechanical overhead travelling irrigation systems are also affected by the imposition of power lines. While some property owners have had to put on hold plans to install such systems, others are unsure whether current systems would become inoperable.

4.14 Another problem arises when pylons are placed in cropping areas. One landholder has estimated that it takes about four times as long to mow around impediments such as poles, as it does to mow in uninterrupted lines. In the case of lucerne and other fodder crops, mowing is carried out at about 4-week intervals.

4.15 Some properties through which Eastlink would traverse are quite small and the imposition of towers could not be avoided anywhere on such a small land holding. One 62 hectare property would be cut in half and the line would pass within 250 metres of the farm sheds.

#### *Interference with Electric Fencing*

4.16 Electric fencing is now used extensively on both permanent and temporary fences and, with the increasing popularity of 'cell grazing', some properties have an extensive network of electric fences. Electric fencing has a number of advantages over traditional fencing, it is relatively cheaper, it allows greater management flexibility, and it is safer for stock. However, high voltage power lines can interfere with electric fencing operating beneath it. If a high voltage electric fence runs in parallel with high voltage power lines, a current is created in the electric fence of such a magnitude that it could kill even very large animals that come into contact with it. Graziers in the Guyra region expressed concern that 'Induction from high voltage transmission lines in the residence of so much electric fencing will cause considerable problems'.

#### *Increased Fire Risk*

4.17 There was concern expressed in submissions, and in particular by the Tenterden Bush Fire Brigade, that the line would result in increased fire risks; that interference with communication equipment near the line could cause unsafe situations; that the line may pose a danger to fire fighters; and that the divisions arising within the community as a result of the divisive consultation exercise was interfering with the smooth running of local brigades.

4.18 The Gatton Shire Council noted that, should Eastlink proceed, then the criteria for easement selection should include consideration of maximising the potential to create fire breaks, while minimising the impact on the environment.

## *Safety of Operating Machinery*

4.19 A number of submissions expressed the concern that, with the system of contoured banks used to stabilise the soil in cultivated areas, there would not be sufficient clearance under power lines for large farm machinery such as grain headers. These farmers considered that their personal safety would be at risk if they were to continue to use such machinery under the Eastlink lines.

## *Dubious Construction Benefits*

4.20 *Transgrid* pointed out that there would be some temporary flow-on benefits to the local community during power line construction through expenditure by work crews and subcontractors. Expenditure would include purchase of fuel, equipment, services, haulage, and construction camp supplies.

4.21 According to locals, however, such benefits would be outweighed by detrimental impact, especially by heavy construction vehicles which would use local roads and farms access tracks. One submission lamented: 'Who's going to repair and maintain our existing minor roads after heavy Eastlink vehicles and trucks loaded with steel materials and machinery, travelling on them have worn them away. I can't see the local shire council doing a great lot as we've contacted them on several occasions, asking for a grader to repair our road, but haven't sighted one in 12 months'.

## **Local Economic Impact**

### *Devaluation of Affected Land*

4.22 Land values can be affected by the impact of the power line on visual appearance and by constraints imposed by the physical presence of the line and associated easement. Land values are also affected by the subjective views of those people who own land in the project region, or who wished to purchase land there, as well as the views held by the wider community.

4.23 The *Transgrid* submission acknowledged that, in its experience, 'land values can drop during the period of uncertainty associated with identifying a route and this can continue, on directly effected properties immediately after construction for a period of a year or two in situations where values have been "talked down" during the route selection process. After this temporary slump prices return to normal with an acceptance of the lines and a realisation that ordinary activities can continue'.

### *Extent of Impact Of Eastlink On Land Values*

4.24 People in the area affected by Eastlink submitted that land values would be lowered by the visual impact of the line, the perceived risks to health, the disturbance caused by construction, the need to relocate farm infrastructure away from the route, and the continuing inconvenience of the casement and towers. The amount by which properties have been devalued was estimated in some submissions to be around 25%, and in others to be between 40 - 60%.

4.25 There is clear evidence that land values have already dropped throughout the whole of the Western Corridor because of speculation about changes to the exact route. In addition, the impact is not just something that will happen in the future, after the line is constructed. For the people who have properties along or near the proposed route, it is happening now. Eastlink has already rendered some properties unsaleable. Landholders who had placed their properties on the market just before the Eastlink proposal was announced have been unable to sell, or have had prospective buyers withdraw and adopt a 'wait and see' policy.

4.26 Actual instances of contracts being lost were cited in submissions. One persons stated that, having lost a potential sale because of public notification of the Western Corridor, the real estate agent was no longer able to get any potential buyers to even view the property. The submission concluded: 'We are being denied the right to conduct our affairs in a businesslike fashion'.

4.27 A number of other submissions commented on the fact that personal circumstances had necessitated a decision to sell the family property, but that the possibility of a sale did not exist because of the Eastlink proposal. In the Allora region it was noted that some 30 houses in town (some distance from the proposed route) were currently listed for sale with real estate agents but that since the announcement of Eastlink, none had been sold.

4.28 Finally, several submissions noted that, should Eastlink go ahead and land values drop, this would have an adverse impact on the level of equity that was held on the property. Consequently, banks may be forced to foreclose, or would not be willing to lend more money should it be required.

### *Land As An Investment*

4.29 A number of people made the point in submissions to the Committee that the properties they had bought as an investment for the future, as a form of superannuation or as an inheritance for their children. Blocks had specifically been bought for their great natural beauty, because of their proximity to new housing subdivisions, or because of some other reason which meant that the market value of the property could be expected to provide a good income in the future.

#### 4.30 One submission stated:

Our property is in seven separate deeds, which we planned to sell off separately as we got closer to retirement ie. our superannuation. In this area between Toowoomba and Warwick, there is a need for small acreage blocks, being purchased mainly by young families. We are in a prime position to take advantage of this trend. The real estate agents have told us that if the Eastlink line goes ahead.. in this area, it will be virtually impossible to sell properties affected by this line at reasonable values. We are concerned that the compensation offered to us will not take this into account and will not be fair in the long term.

4.31 A description of this situation was repeated in several submissions to the Committee from aged landholders who emphasised that the properties were their only form of superannuation and one for which they had planned over many years. They saw Eastlink as representing the loss of their life's savings. These people felt that the value of their properties had been dramatically reduced by Eastlink and that the level of compensation offered would not recognise the potential value of the land, for whatever reason it was seen to be valuable by the owner.

### *Impact On the Economy Of Individual Farms*

4.32 Through concern about exposure to EMFs, both to operators and to farm animals, landholders are reluctant to work under power lines, to put breeding stock in paddocks with lines running across them, and to carry out any improvements along easements. This they believe will result in reduced productivity and will therefore contribute to economic

4.33 Costs will be incurred by individual property owners if they decide to fence out the easement because the power authorities have stated that they will not accept responsibility for such fencing. Economic losses will also be sustained if landholders choose to move farm infrastructure that lies directly under the line or within the easement. The line would interfere with aerial agricultural both by eliminating the possibility of carrying out practices such as top dressing, seeding, pig shooting, weed spraying, and increasing cost because of the need to use airstrips further away.

4.34 According to St Patrick's Presbytery at Allora, the economic impact of the power line will be totally negative. 'It will not contribute to the economic viability of affected properties. Many families will face financial ruin. ... Property devaluation will have an immediate impact on the ability of landholders to borrow finance to fund their enterprises and to maintain the property equity levels required by the financial institutions'

4.35 Some farmers who are already carrying high levels of debt, expressed concern about how their equity would be affected. They were also concerned that Eastlink would result in a reduced ability of landholders to access finance because of the reduced value of their farms. One submission noted: 'The (NSW) regional manager of the ANZ. bank has indicated to us that should our property be devalued by Eastlink they would have to review our financial arrangements . because the family farm is both a source of income and a home, any economic impact would have a double effect and would result in the loss of everything for some.

### *Concern for Organic & Bio-Dynamic Farming Practices*

4.36 Several submissions expressed concern that properties which had Organic or Bio-Dynamic certification status, and which were along the proposed Eastlink route, would lose that status. It takes many years of chemical-free farming practices to achieve certification and once it is achieved the grower must undergo regular testing to retain a chemical-free rating. If power authorities use herbicides along easements the potential exists for chemical drift to come onto a certified property.

4.37 Organic growers, such as Gary and Kathy Harm of the Grantham region in Queensland, believe that if Eastlink goes ahead they would be faced with the risk of losing their chemical-free status and the risk of losing their market, because of possible public perception of the health effects of EM17s on crops. They fear they will be forced to abandon the property they have farmed organically for the last five years and start again somewhere else. However, without sufficient compensation, this would be a financial impossibility.

### *Private Astronomical Observatory*

4.38 Specific concern was also expressed that Eastlink would interfere with a private astronomical observatory built on a property near Mt Lofty, Toowoomba. If a 500kV line passed near the observatory, radio communications essential to the work of the observatory would be affected:

The observatory has considerable photographic capability and complements the USQ/UQ photometric facility at Mt Kent at the other end of the valley. Wide angle photographs of southern navigation stars have been supplied to NASA for the training of space shuttle astronauts, while deep space photographs of southern extended objects have been supplied to the London Planetarium and journals such as 'Sky and Telescope'. The building of a 500kV line near the property would severely limit these activities. 34

4.39 The submission also noted that the property's homestead housed a radio control base which was used to coordinate local bush fire fighting activities and that radio communications from this base would also be affected by a high voltage power line.

### *Impact On The Local Economy*

4.40 The economic impact of Eastlink is already being felt in the communities along the line. Some properties which were for sale have lost buyers, others have dropped considerably in value.

4.41 The fact that land values have dropped, and properties have been impossible to sell, has brought on a wider scenario of regional economic depression. One submission noted: 'Any devaluation of land', because of Eastlink, on top of the effects of the wool market collapse (1990-91), high interest rates and drought will lead to a change in the nature of farm ownership and further evacuation of rural areas. This in turn will lead to further population pressures on the coastal strip'.

4.42 Devalued land will result in reduced shire council rates, which will in turn result in increased rates for other properties to compensate. The Gatton Shire Council expressed concern that if there was a decline in revenue from rates, the Shire's operations, and particularly its status as a major employer, would be reduced. The Guyra Shire Council noted that although it expected that NSW legislation would be enacted to compensate it for rate income foregone resulting from land devaluations associated with Eastlink, it could also make up the loss by requiring other ratepayers to pay increased rates.

4.43 The Gatton Shire Council was concerned that Eastlink would have an adverse impact on the good reputation that the Lockyer Valley has for 'clean' produce and could not afford this. The Council maintained that: 'any reduction in local or export consumption would impact [on] the major economic base of this community'.

### *Impact on Regional Tourism*

4.44 Quite a number of submissions to the Committee expressed the concern that the visual impact of the Eastlink power line would have an adverse impact on tourism and, in particular tourism based on the environment. As one submission argued:

Tourism has become a vital part of regional economies along much of the Eastlink Corridor, providing some insulation from the ravages of drought and declining terms of trade for many producers. As visual amenity is spoilt, fewer tourist dollars will flow into rural communities, once again threatening their viability.

4.45 The importance of tourism to rural economies is increasing. The recent recession and drought has reduced the terms of trade for primary producers and many are seeking to diversify. In the Darling Downs area, for example, tourism grew 8.3% in the year 1993-94 and contributed \$77 million to the regional economy. 'The host farm scheme is an important part of this, and has not only allowed property managers to remain viable whilst putting less grazing and/ or cropping pressure on their land, it has also provided a means of educating the wider community of the importance of natural resource management issues. People living in the Darling Downs area are genuinely concerned that Eastlink will have an adverse affect on tourism.

4.46 The Gatton Shire Council noted that the rural landscape and visual amenity of the Lockyer Valley area was recognised as a major tourist attraction and that rural based tourism, such as Farm-Stays, Rural Day Trips and Country Holidays, was a growth area for the regional economy. Any adverse impact on tourism would affect the diversification of the economic base of the Shire.

4.47 Some submissions stated they had planned to diversify into homestay farm holidays but if Eastlink went ahead they believed that they would have little hope of attracting visitors to a farm which had large power lines across it.

## **Compensation**

### *The Process of Compensation*

4.48 Easements required for the purpose of power line construction and maintenance are usually negotiated on a one-to-one basis between each property owner and the relevant state power authority. When easements are acquired the property owner is usually eligible for some financial recompense for loss of utility of the land. Compensation to landholders detrimentally affected by power lines is determined in the first instance through negotiation but where negotiation fails, easements can be compulsorily acquired. In NSW, compulsory acquisition and compensation provisions come under the *Land Acquisition (Just Terms Compensation) Act 1991* and in Queensland the relevant legislation is the *Acquisition of Lands Act 1967*. If after compulsory acquisition the matter of compensation is not resolved, property owners then have the option of taking their grievance to a state land and environment court.

4.49 Compensation is paid to land owners to recompense them for any effects the power line may have on their properties and it is based on the market value of the property. According to the *Transgrid* submission, 'every effort is made to ensure that an individual owner is not financially disadvantaged by any action by the Authorities in constructing and maintaining the transmission line'

4.50 Compensation is only given if the easement actually crosses a property owner's land. If the route runs close to the property but does not physically intrude on it, there will be no compensation, not even for visual intrusion.

4.51 *Powerlink* in its submission stated: 'Compensation will be paid to property owners for necessary easements on the basis of the "before and after" effect of the value of the property. No property owner will be financially disadvantaged as a result of *Powerlink* Queensland's easement acquisition'.

## *Community Reaction to Compensation*

4.52 There was evidence in submissions that the issue of compensation had not been adequately explained to people who were likely to have the route traverse their land. While it may be argued that that sort of detail was not necessary until a firm route had been chosen and specific negotiations could begin, the lack of accurate information had contributed to stress suffered by landholders who could not help but fear the worst. As an example, one submission stated: 'We have been told we can only expect fifty dollars (\$50) per tower site, and a small amount for the actual easement, approximately two to three hundred dollars (\$200-\$300) per kilometre. Hardly a fair or reasonable amount for the inconvenience of such a project, or the devastating effect Eastlink will cause to de-valuation of our property, the health risks, soil erosion and spread of noxious weeds, and the aesthetic value of our property'.

4.53 People are confused about compensation because the process of refinement, from corridor to easement, has left many people unsure of exactly how they will be affected. Some submissions stated that because different information had been given to neighbours by the power authorities to what they had been told, they had been left both confused about what would eventually happen and in a state of disagreement with their neighbour.

4.54 It was evident from the submissions to the Committee that people were unclear about the process of compensation and about the items for which they might be eligible to claim. Those items mentioned included:

- trees destroyed;
- land degradation through construction of the line and associated
- access roads;
- loss of environmental integrity of properties;
- re-location costs for people who for mental and emotional reasons could not live near the power line;
- neighbouring land suffering reduced visual integrity of the landscape
- loss of revenue associated with particular industries (apiarists, organic producers,);
- devaluation of land under the easement;
- devaluation of neighbouring land;
- loss of re-sale value of property;
- loss of privacy and loss of control over some areas;
- loss of ability to provide quality assurance of stock and crops;
- health effects, including stress related ones,
- restriction of farming activities, now and in the future; and
- loss of opportunities (eco-tourism, subdivisions, etc) '

4.55 People were also concerned that if compensation was based on current land values it would be insufficient because the market for rural land was at that time very depressed .

4.56 Some people affected by Eastlink did not wish to discuss compensation, because to do so was to accept that Eastlink would go ahead. Other people stated that no amount of compensation would be enough to ameliorate the distress caused by the consultation process, the drop in land values, the disruption to community cohesion and, above all, to the blight on the beautiful capes in which they lived.

4.57 As described in one submission:

Compensation is a sour joke. A small property (less than 50 hectares) is all but obliterated by a 70 metre easement. It would be fair to buy the whole place at market value, but the owner ends up with peppercorn compensation and a ruined asset. If the published cost of Eastlink included proper compensation, its cost would skyrocket into the uneconomic realm! How would the taxpayer respond to paying the real cost?

4.58 Some people's lives have been suspended by the long planning phase of Eastlink. Having decided to move into the retirement phase of their lives, they had put their properties up for sale. But since the advent of Eastlink they have not been able to sell and they have been left in a position of total uncertainty: unable to derive income from unrealisable assets, and unable to draw a pension because of those assets'. At this stage, the promise of compensation is of no value to them at all.

4.59 The Guyra Shire Council maintained that the power authorities want landholders to accept the proposal, then discuss compensation. The Council argued that this was an unacceptable business practice and recommended that compensation should be paid both to directly and indirectly affected property owners. It 'should include solarium, lost income, out of pocket expenses and injurious affection'.

4.60 The Gatton Shire Council submitted that the fact that rural landholders affected by Eastlink had not been given adequate information by the power authorities about compensation had caused some stress to those landholders. The Council maintained that past experiences of landholders, in receiving only nominal compensation for power line intrusion, did not give them confidence that fair compensation would be given in the case of Eastlink .

## **Social Impact**

### *Efforts Made By Power Authorities*

4.61 The proponents of Eastlink are legally required to consider social impact as part of the EIS requirements and in its submission to the Committee Transgrid argued that it was unable to respond fully to this term of reference until the EIS was complete. The submission did note, however, that: 'social parameters included at corridor assessment stage included the number of properties potentially affected, the avoidance of communities, the number of homes within a specified distance, and tile land use within the affected corridor'. The submission also stated that the processes used to reduce social impact 'have been successfully applied in past projects to avoid introducing unnecessary social strains within and between communities in the study area'.

4.62 *Transgrid* stated in its submission to the committee that:

... every effort was made by the Authorities during the extensive community consultation the preceded selection of the prefer-red corridor to ensure that the selection process was and was seen to be based on objective principles. ... BY emphasising these principles in the route development there us the best chance to minimise the recriminations of one community against another, or one neighbour against another. Our objective has always been to define a final alignment for the line which is seen by fair minded people as being the best that can be achieved.

#### *Comments in Submissions*

4.63 The Northern Rivers Energy Action Network submitted that a comprehensive social impact statement for Eastlink was essential before any decision could be made as to the desirability of the project and that a social impact statement should have preceded the decision to build the Eastlink power line. The submission argued that a comprehensive social impact assessment would:

- assist in improving the social well-being of the community by moving away from the 'lip-service' consultation currently practiced;
- acknowledge the community belief that the need for Eastlink has not been proved;
- enable the true cost of the Eastlink project to the community to be assessed;
- allow an assessment of the relative levels of employment generated by alternative renewable energy sources and demand side management pro-rams as opposed to that generated by Eastlink;
- assist in deciding the best way for Australia to meet its greenhouse gas emission targets;
- allow an energy strategy to be devised which would resolve the issues of equity, sustainability efficiency and environmental quality;
- allow a true assessment of the alternative options for supplying energy needs for both NSW and Queensland;
- look at the social barriers to increased energy efficiency; and
- look at the impact of today's energy decision on future generations.

### **Community Consultation**

#### *Efforts Made By Power Authorities*

4.64 The two power authorities involved in the Eastlink project have made considerable efforts to ensure widespread community involvement in the project. In a *Project Information Document* they state: 'Community consultation will lie at the heart of the route selection process for Eastlink. ... Support from the community will be integral to the project's success and community consultation and information will continue throughout the life of the project

4.65 The *Transgrid* submission maintained that: 'The development of the transmission line route for Eastlink has involved the most extensive community consultation program ever undertaken for a major infrastructure project in Australia.' To facilitate community consultation, *Transgrid* and *Powerlink*, together with project consultants Kinhill Engineers, formed a Project Committee and all Queensland. documents produced have been common to both NSW and Queensland.

4.66 The *Project Information Document* outlined three stages for community input into the route selection process for the transmission line:

- at project commencement, community help was sought to help refine the preliminary corridor concepts;
- formal public submissions were sought in response to the corridor selectlon report; and
- formal public submissions will be sought in response to the environmental impact statement.

4.67 To facilitate community consultation the power authorities, inter alia:

- set up free telephone hotlines in NSW and Queensland to facilitate feedback from, and information to, the community;
- produced a regular newsletter distributed during the corridor selection phase of the project
- produced a 12-page, easy to read Project Information Document.
- produced a 10 minute information video;
- produced a large (2m high) display map of the study area;

- established information centres at key locations in the areas of corridor investigations with staff available for to answer questions and record community input;
- staged displays of the corridor options at information centres and other community locations in the study area;
- produced a questionnaire (Community Response Form) to assist people make their comments about the proposal;
- made available for community consultation the corridor selection reports and environmental impact statements at community centres;
- used media outlets to publicise any developments in the project; and
- produced brochures on various aspects of the project, such as easement acquisition and electric and magnetic fields.

4.68 The corridor selection process resulted in over 3,800 written submissions, visits by more than 5,000 people to information centres and over 2,500 people attended public meetings.

#### *Use of Community Input In Decision Making*

4.69 The aim of the corridor selection process was to find the 'best balance of the communities' wishes, the environmental impact and the line's own technical requirements'. In the initial phase of community consultation (three months from June to August 1994), the task of the project team was to provide information to a community which knew little about the project, and receive comments. The team then considered those comments along with that from local public bodies and from their own consultant's investigations, and proposed a revision of the preliminary corridor concepts. At that stage the issues raised by the community were, in order of degree of concern:

- environmental/conservation impacts (41% of responses);
- objections or opposition to the project (9%);
- land use concerns (33%); and
- perceived health risks (EMFs) 29%.

4.70 The second round of displays (September 1994) was intended to provide feedback to those who had responded.. and to prompt those who hadn't participated to make a contribution. Part of these displayed included graphical illustrations of the issues already raised by the community. In the following two months more data was gathered, both from public bodies and from the community, and a Corridor Selection Report produced, plus a Viable Corridor display map to go with it. These were displayed in November 1994 and by that stage about 2000 responses had been received, though no new issues had been raised.

4.71 In order to assess each corridor against the information gathered, the project team identified measures that reflected each of the issues raised. 'For example, conservation issues were reflected for each corridor by recording measures such as the amount of tree cover in each corridor as well. as recording specific conservation areas. The issue of perceived health effects and the Authority's response of prudent avoidance was reflected for each corridor by measuring the density of housing in each corridor, and the distance of houses from a nominal centreline'.

4.72 Issues considered important at the time the final decision was made to select the Western Corridor were, not necessarily in order of importance:

- impact on agriculture, horticulture, grazing and airstrips;
- access and erosion;
- EMFs and health issues;
- heritage and conservation;
- land ownership,.
- impact on native flora and fauna, and remnant vegetation;
- property size and values; and
- visual and scenic impacts.

#### *Community Reaction To The Consultation Process*

4.73 Many submissions to the Committee stated that they believed the community consultation process to have been inadequate and divisive. They argued that both State Governments had failed to listen to the people regarding their genuine concerns over the corridor options available, and completely different options to Eastlink altogether. Other submissions complained that the whole process was rushed. People felt that both individuals and groups had been treated in an off-hand way by government representatives and power authority officials.

4.74 In August 1994, the Armidale Branch of the National Parks Association had invited a representative of Pacific Power to give the Branch a briefing and Association members were concerned to find that Eastlink was already at 'an advanced stage of planning'. At subsequent public displays presented by Pacific Power, 'the highly organised presentation of the whole project stunned the communities of the Northern Tablelands and Southern Queensland. The strong impression given was that Eastlink was a foregone conclusion, and "public consultation" was not about the desirability or



otherwise of having a link but solely about where it would go. ... There was no discussion of alternative strategies in response to those opposed to the project.

4.75 Repeatedly, submissions to the Committee claimed that the consultation process had been polite but meaningless. While landholders were required to make written submissions detailing requirements, objections, and suggestions at each of the four stages of the corridor selection process, the answers from the power authorities were standardised and non-committal. Information provided by the power authorities at different times was conflicting or reneged on earlier promises.

4.76 Landholders were frustrated that they have had to spend a large amount of time finding out detailed information, dealing with different people. All the time they were given the impression that unless they 'towed the line' they would be penalised in the route selection process. While the power authorities were in full knowledge of all the discussions that had taken place, individual landholders were often ignorant of what had been said to neighbours and landholders further away. This placed the landholders at a relative disadvantage because it enabled power authority officers to negotiate from a position of omniscience.

4.77 Submissions argued that the consultation process was not about whether the community wanted Eastlink. The project was promoted as a fait accompli and the only consultation which took place was about where it would go. Rural people were given the choice of three corridors, but were never given the choice of 'No Eastlink'. It was obvious that anybody given the choice of having a power line go through their properties or through somebody else's property would choose the latter. This immediately established a basis for community conflict. In addition, rural landholders could see that all corridor options would present a threat to further land and water degradation.

4.78 There was a common belief expressed that despite the community consultation process, the power authorities had chosen the corridor that they had preferred before the consultation process ever began. People criticised the authorities for the enormous amount of money used in community consultation and waste of paper, one submission noting: 'We usually received 6 to 8 copies of each of their information sheets - by mail'. Criticisms were made that the authorities frequently did not reply in writing to requests for information, that in the early stages they were willing to communicate publicly but that when the final decision was made to select the Western Corridor, notice was given over the radio. Representatives from the power authorities were never receptive to the argument that people did not want the power line at all.

4.79 Thus the communities involved felt that the consultation process used to select the exact route was inadequate and those people, plus the wider community, felt that there was no consultation at all as to whether interconnection as a power supply option was desirable. It was claimed that, with the issue at stake being a major power supply for the State's future needs, there was a widespread perception in Queensland that the whole State should have been involved.

4.80 The view was expressed in submissions that the omnipotent power of electricity utilities is no longer appropriate and, in an age when all regional developments must pass through local council approval processes, when landholders have endless constraints imposed on any of their development proposals, that local councils should have the same right of veto, with justifiable reason, over large public utilities in their development proposals.

4.81 The Gatton Shire Council, which had administrative jurisdiction over Springdale, argued that consultation had been inadequate. Initially, the Council was not made aware that up to nine power lines would converge at Springdale. Had the Council known this, it would have more vigorously opposed the whole project.

4.82 The Council further noted that, while the consultation process was representative, in terms of the number of public displays and forums, it was not effective because so many questions about Eastlink remained unanswered. The Council itself is very unsure about the future of Springdale, how it will look in the future, how many power lines would converge there, what the cumulative impact of the lines would be on the Shire, and what would be the impact on other services in the Shire.

4.83 The Condamine Catchment Committee noted that landholders were angry that their property management and environmental concerns had been trivialised and that the general community felt that the consultation process had been neither consultative nor publicly accountable.

4.84 The submission made by the Northern Rivers Energy Action Network noted that according to the *Guidelines for the Development of Electricity Systems*, power authorities 'should follow an appropriate community consultation process allowing all parties to arrive at a project proposal acceptable to all'. Yet the methods used by the Eastlink project team was no more than a 'rubber-stamped public approval' process. It was a process of superficial cooperation' and 'after-the-fact involvement'. The Network argued that effective collaboration must go beyond cooperation, that it must begin earlier and that it must 'evince a sincere desire to hear other perspectives and work with the public to create a plan for mutual gain'. In contrast to the processes used by public utilities in Australia, the submission noted that 'Throughout the USA, water and electricity utilities are discovering that collaboration is a powerful new tool for problem-solving and one that can lead to better decisions and less lawsuits.

## **The Impact of the Consultation Process**

### *Community Conflict*

4.85 The community consultation process used by the power authorities has resulted in internal community conflict, brought neighbour up against neighbour and created social disharmony so great that, as described in some submissions, rifts will never be healed. <sup>78</sup> Conflict has arisen because people affected by the line believed that more influential neighbours had been able to have the route shifted from their properties onto others.

4.86 One submission commented: 'The manner in which Pacific Power [*Transgrid*] chose to select a path through this closely settled and highly improved land has caused deep jealousy - playing one neighbour's priorities against another. ... The stress and mistrust (in some cases) that has developed between neighbours, families and friends is a tragedy

4.87 As told by one landowner:

Because of the power line neighbours, often relatives in fact, have turned against each other. If one farmer makes a suggestion that the line go to one side of his place than he is inflicting it on his friend and neighbour. The social implications of this proposal have to be weighed against any benefit. ... Resentment and hatred are coming to the fore breaking up long standing relationships and causing great stress. Should the line actually go ahead one wonders at the consequences.

4.88 Yet another submission noted:

The social fabric is being torn apart by the community consultation process as practiced by Pacific Power. Very few people want the line to cross their properties, and neighbours are often not on speaking terms now as each tries to have the line removed from their property and on to their neighbours. Pacific Power will only deal with property owners on an individual basis where local group meetings could perhaps have sorted out the best location for the easement. So where we once had close knit local communities, families who have lived side by side as friends - sometimes for generations, are now not on speaking terms. It has even affected church attendances and caused quarrels between relations. There is a possibility that these quarrels will never be totally patched up.

4.89 Yet another submission stated: 'As newcomers to the Shire of Warwick we witnessed the distress caused by the Eastlink corridor selection process on members of the whole community. This was not an exercise in community consultation at all, it was 'divide and rule', setting up one group against another. The issue involves a major power supply decision for the whole state, so the whole state community should have been involved in deciding how the need is met, not just those of us who were potentially affected'.

4.90 The community conflict that has arisen over Eastlink has had repercussions for other community organisations. For example, the Secretary of the Tenterden Bush Fire Brigade, James Jackson, noted that the division created by the community consultation process had resulted in some members refusing to fight fires on other people's properties and did not assist in the smooth organisation of help in times of crises. And the viability of the Wandsworth Progress Association, which has been a strong focal point of that community for over 30 years, has been threatened because individuals have come into conflict through seeking to preserve their own property, their way of life and their assets.

#### *Cumulative Effect*

4.91 While in some areas local community groups have joined forces to oppose the line, the route selection process itself has caused considerable disharmony within rural communities, with previously friendly neighbours coming into conflict with each other as they seek to have the route not go through their own land and therefore, by default, suggest that it go through neighbouring lands.

4.92 Saint Patrick's Presbytery, in the Allora region, noted in its submission:

Those people who constitute the Allora community are already severely stressed because they fear the as yet unknown impact of the power line on their health, the consequences for their children, the likely economic effects on their farms, business and community resources. They know that many people will feel forced to leave their homes as a consequence of the power line and they fear that a blight will descend on their community as the exodus gathers momentum. ... Few issues have caused such widespread community concern as this one.

4.93 The Eastlink proposal has come at a time when the communities through which the line would pass are already considerably stressed. People in these communities have battled through five years of drought but they are willing to continue because they can accept that drought is something that they have no control over. However, the Eastlink proposal has brought both individual and community stress to an extremely high level. This stress has resulted in individual anguish, financial worries, marital conflict and community disharmony.

4.94 Marital conflict has arisen because women are adamant that they will not allow their children to live under a the power line and their husbands cannot leave the family farm as it is their only means of livelihood. Others stated that they were unwilling to start a family until the matter was resolved.

## **Conclusions**

4.95 The Eastlink proposal, perhaps more than any other high voltage power line in Australia's history, has resulted in high levels of community opposition. The proposal came at a time when rural people had been experiencing severe and prolonged drought, accompanied by both a general recession and declining rural commodity prices.

4.96 The large number of critical submissions received was a strong indication to the Committee that the communities involved do not want Eastlink to proceed. They see the proposal as uneconomic in general terms and of specific economic detriment to their communities. They do not want the visual integrity of their landscape to be spoiled and they do not want the physical intrusion of construction and maintenance crews on their land. They assert that the link will perpetuate a national reliance on outdated and polluting electricity generation technologies and will preclude the adoption of modern, non-polluting renewable technologies and the increased use of demand management and energy conservation.

#### *Impact on Agricultural Land*

4.97 Property owners were also concerned that the position of the line would have a detrimental impact on the efficient operation of their business through interference with facilities and aerial agriculture. **The Committee recommends that any detrimental impact on farm operations should be subject of compensation.**

#### *Local Economic Impact*

4.98 Eastlink has already had an impact on the real estate market properties along the Western corridor. Properties which were for sale at time of announcement of Eastlink lost potential buyers and properties which subsequently came on the market have not sold. Some property owners who had planned to retire have been left in a position where they cannot move elsewhere because their homes are inextricably linked with the rural business of their land, and they cannot sell that land because of Eastlink.

4.99 In addition, the value of properties along the corridor may well be reduced by the advent of the power line. This has been estimated to anywhere from 25% to 100% (people believe that they will be unable to sell at all). Regional economies may feel a flow-on effect from the stagnation of the rural real estate market and the unwillingness of property owners in general to make any further capital investment in the properties. It has also been suggested that the visual impact of the power line may affect regional tourism and farm stay holiday income.

4.100 The power authorities involved have noted that this situation sometimes occurs when a power line is first proposed, but suggested that the real estate market will regain its previous level at some stage after the power line has been completed. However, this information does not reassure proper owners who want to sell now, or who are planning to sell in the near future.

4.101 It is clear that some people are currently being economically disadvantaged by the proposal. **The Committee holds the view that, if the power authorities are so sure that the property market will return to normal after Eastlink is completed, they should buy now, at pre-Eastlink valuation, any property that has been on the market and that has not achieved a sale because of speculation about Eastlink.**

#### *Compensation*

4.102 It is the usual practice of power authorities to offer compensation for the use of easements and to offset any losses associated with reduced amenity of facilities on individual farms. However, there is a general community belief that in the case of Eastlink, the level of compensation would be inadequate.

4.103 Compensation is usually only paid to property owners whose land is crossed by a power line and where easements are acquired. However, there may be neighbours whose houses are very close to the power line, or whose view is directly spoiled, but who are ineligible for compensation simply because the line does not cross their property.

4.104 The Committee is concerned that the practice of negotiating compensation arrangements on a one-by-one basis, without any requirement for public disclosure of the total amount, or the factors included in the summation, favours the power authorities and enables them to achieve minimum levels of compensation. Were public disclosure compulsory and if landowners had access to a simpler and cheaper avenue of conciliation than the courts, the level of compensation paid may appear more equitable to those seeking compensation for the intrusion of Eastlink.

4.105 **The Committee recommends wider and more comprehensive compensation provisions, which may include provision for an independent conciliation process for individuals or groups affected.**

#### *Community Consultation & Social Impact*

4.106 While the power authorities made every effort to consult the people directly affected by the proposal, both those individuals and the broader community have rejected the consultation process as completely inadequate. People believe that because they were never given the choice of 'no Eastlink' the consultation process was intrinsically flawed. More significantly, as the power authorities sought community opinion as to the location of the line, some people lobbied to have it not put on their properties. The fact that the power authorities made changes to the proposed route led to suspicion that improper influence had been brought to bear. This created antagonism between neighbours, who were often relatives,

and people who had previously been friends for many years. In some instances rifts have formed within rural areas that will take a long time to heal.

4.107 It appears to the Committee that a significant cause of community disharmony and rancour ahas been the practice of holding discussions with individual property owners who were disadvantaged by the fact that they were ignorant what had been said to neighbouring property owners, while the power authority officers had the advantage of knowing what offers had been made to other landholders. The cumulative effect of the proposal itself, the process of consultation used by the power authorities and the community reaction to it has been considerable social disquiet and stress. A very large amount of community energy ahs been expended on opposing Eastlink when this energy might have been spent on projects more directly profitable for the community.

**4.108 The Committee concludes that while the power authorities put a large effort into public consultation, the methods were used were not accepted by many of those people affected by the proposed power line.**

*State Parliamentary Review Procedures*

4.109 This Committee and its predecessor the Standing Committee on Industry, Science and Technology, has over the last few years noted a lack of informed and detailed debate on matters relating to power generation developments. In particular, the Committee has noted that state government could play a stronger role in meshing government policy with community needs and opinions.

4.110 In examining the Eastlink proposal and its effect on the communities involved, the Committee has come to the conclusion that a greater role could be played by state parliaments in the review of matters relating to energy developments. The depth of community opposition of Eastlink the high level of public knowledge of energy matters, and the strong desire expressed to be involved in such matters, suggest that unless communities are provided with a more satisfactory avenue for grievances and more informative involvement, conflict will continue to mar energy development proposals

**4.111 The Committee suggest to all state governments that there would be merit in establishing a process whereby communities and professionals could be more directly involved in debate on energy matters. Through such a process, parliaments could monitor subjects such as health effects of power lines, environmental and social impacts of development, and degree of community willingness to participate in alternative renewable generating options, as well as provide a more accessible and flexible grievance mechanism.**