

**Submission
No 32**

ESTABLISHMENT OF SPECIAL ECONOMIC ZONES

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Date Received: 30/03/2012

INQUIRY INTO THE
ESTABLISHMENT OF SPECIAL
ECONOMIC ZONES

NSW MINERALS COUNCIL



NEW SOUTH WALES
MINERALS COUNCIL LTD

Executive Summary

The Legislative Assembly's Committee on Economic Development is inquiring into the establishment of special economic zones and the opportunities to provide state tax and financial incentives to promote economic growth, employment and investment in regional and rural NSW South Wales, and any other related matters.

The NSW minerals industry operates in the geographic zones of the Hunter (including the Lower and Upper Hunter), New England North West, Illawarra, Central West, and Far West.

Given the ongoing contribution to our economy and future potential, these regions should be considered special economic zones, and supported with appropriate policy settings as outlined in our submission.

A strong NSW minerals industry means a strong NSW. The total value of all mining in NSW was \$20 billion in 2010-11, and the industry contributed \$1.24 billion to State revenue via Royalty payments.

The mining and minerals processing industry employs around 93,000 people directly across the geographic centres outlined above. In addition, the industry generates indirect employment estimated to be in the order of a 326,000 people across the State.

The marketplace for capital is a global. New South Wales competes with other Australian mining states to attract capital investment in the industry. New South Wales also competes on the global stage for this capital.

Therefore the scope for future growth in the NSW minerals industry depends not only on the geological nature and geographic location of mineral reserves. It depends on the current and future macroeconomic factors affecting demand – and NSW's political and regulatory environment can significantly affect the trajectory of the industry over the short and the long terms.

Therefore, the NSW Government can contribute to the sustainability and financial growth of mining regions by:

1. Delivering strategic public infrastructure to meet the needs of mining regions
2. Ensuring the planning framework is the gateway for investment and development in NSW. Improved, streamlined, efficient and consistent planning processes – with the appropriate checks and balances – are necessary. More regulation and duplication, as being proposed in land use plans, will not boost the State's investment credentials
3. Building a healthy exploration sector
4. Not imposing further costs on the minerals industry through royalty rates, taxes, fees, charges or levies; removing the Coal Washery Rejects Levy; reinstating the transport subsidy for the Western Coalfields



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1 Introduction

The NSW Minerals Council (NSWMC) welcomes the opportunity to make a submission to the *Inquiry into the establishment of special economic zones* being undertaken by the NSW Government's Legislative Assembly Committee on Economic Development.

The NSW Mining Industry

NSW is a mining state producing around 40 per cent of Australia's black coal, as well as gold, copper and other minerals. In 2010-11 coal was NSW's largest merchandise export in terms of value, worth \$11 billion. The Australian mining equipment, technology and services sector also provides significant value, with the sector's export revenue estimated at around \$3.5 billion per year.

In 2010-11 the mining industry contributed directly to the NSW Budget by paying \$1.24 billion in royalties, and \$1.5 billion in total State government revenues. Over the next four years it is estimated that NSW Government revenue from royalties will be approximately \$8.5 billion¹. The sector is responsible for 17 per cent of private investment in NSW² – the highest of any industry in the State.

Mining and minerals processing employ around 93,000 people directly, mainly in rural and regional NSW. In addition, the industry generates indirect employment estimated to be in the order of a 326,000 people across the State³. These jobs range across a large number of industry sectors, including construction, heavy engineering and equipment manufacturing, the provision of mine supplies and consumable items and specialised advisory, design and management services.

Mining also brings significant private investment in infrastructure such as ports, which benefits other industries and leads to the creation of further employment. Policies affecting the mining sector will have significant economy-wide impacts that will affect the people of NSW, not just those in mining regions.

NSW Minerals Council

NSWMC is the peak industry association representing the State's \$20 billion mining industry, and provides a single, united voice on behalf our member companies.

Our membership is made up of around 100 of the State's producers, operators, explorers and service providers.

On behalf of the NSW minerals industry we support the development of a strong and diverse State economy and an effective regulatory framework in which the industry can operate.

We promote the highest standards in environmental management, community engagement, and health and safety. We also advance the industry's social licence to operate by communicating the benefits of a responsible minerals industry.

¹ NSW Trade and Investment; NSW Treasury

² St George, *St George NSW Economic Report*, December 2010

³ ABS, *Labour Force Australia, Detailed, Quarterly*, February 2012



2 Mining is a valuable industry to NSW

2.1 A snapshot of mining's economic contribution to NSW

Our contribution to the State

Jobs	90,000 in mining and minerals processing & 310,000 indirectly
Investment	17% of all private investment – the highest of any industry
Size	61 coal mines & 14 major metals mines
Value	A \$20 billion industry
Economy	2.5% of Gross State Product
Exports	\$17.4 billion – the number one commodity export earner
Royalties	\$1.24 billion (2010–11) & \$8.5 billion over next four years
Payroll tax	\$150 million
Project Pipeline	\$23 billion worth of potential mining and mining-infrastructure projects

Sources: ABS, *Labour Force Australia, Detailed, Quarterly*, November 2011 & NSWMC; St. George, *St. George NSW Economic Report*, December 2010; CSPL; Industry & Investment, 2010 Minerals Industry Annual; NSW Trade and Investment; ABS & NSWMC; NSW Trade and Investment & ABS; NSW Trade and Investment & NSW Treasury; Mine Safety Advisory Committee⁴; BREE, Mining Industry Major Projects, October 2011 listing.

The value of NSW coal at average market prices was \$16.15 billion in 2010-11. Copper was valued at \$1.4 billion and gold was valued at \$1.3 billion.

2.2 Mining development in NSW

The Federal Government's Bureau of Resources and Energy Economics (BREE) released the report, *Mining Industry Major Projects*, in October 2011.

The report is compiled twice a year and provides details of each announced project for which total capital expenditure is expected to exceed \$40 million. The exception is the gold industry, where the expenditure threshold for inclusion in the list is \$15 million.

Mining development in NSW

	Number	Capital expenditure (millions)	Construction Jobs	Operational Jobs
Coal and minerals projects				
Advanced	13	\$6,308	2,450	2,675
Coal infrastructure projects				
Advanced	6	\$3,240	1,200	–

Source: BREE, Mining Industry Major Projects, October 2011 listing

⁴ Calculated using a total wage bill of \$2,788 million in 2010–11, (as per Mine Safety Advisory Committee, Mine Safety Levy Agenda Item 5, February 2011), threshold deduction of \$658,000 on 40 companies (coal and mineral producers and major explorers) and a payroll tax rate of 5.45 per cent.



Further to these advanced projects, 30 less advanced projects are proposed in NSW including 24 black coal projects.

Projects in the pipeline represent replacements for mines that are nearing end of life, extensions to existing mines, and also new projects. Many projects are expected to require more investment and infrastructure as projects become further afield from export ports.

2.3 Mineral exploration

Private expenditure on mineral exploration in NSW was \$153 million in 2010-11⁵.

Mineral exploration expenditure in NSW totalled \$63.4m in the December quarter (compared to \$63.6m in the September quarter). This expenditure was broken down by new deposits (\$12.6m) and existing deposits (\$50.8m)⁶.

Breaking down the \$63.4m spent in NSW on mineral exploration – \$29.6m was spent on coal (up from \$28.4m in the previous quarter), \$10.9m on gold (up from \$10.2m), whereas expenditure on selected base metals fell from \$19.3m in the September quarter to \$16.4m in the December quarter.

2.4 Employment

Mining and minerals processing in NSW currently employs about 93,000 direct jobs, and indirectly employs about 326,000.

Total direct employment in mining in NSW is 47,582⁷. Across 19 employment sectors in NSW, mining has experienced the biggest percentage increase in the number of jobs over the four year period from the February quarter 2008 to the February quarter 2012 – growing 115.5 per cent from 22,077 to 47,582. This is the fastest jobs growth of any industry in the State.

Additionally, total employment in minerals processing is 45,537, up from 44,142 in the November 2011 quarter.

2.5 Royalties – revenue raised by mining for NSW

Unlike most development, mining involves the recovery of a resource owned by the people of NSW. Direct financial benefits in the form of royalties flow from mining projects to the NSW Government.

Royalties are payable on minerals mined in NSW, at rates prescribed in legislation. The level and type of rate varies across minerals.

As listed above, total royalties revenue for NSW was \$1.24 billion in 2010-11 – which represents 3 per cent of the total revenue collected by the NSW Government.⁸

The NSW Budget papers estimate that royalties will generate over \$8.5 billion for the State over the next four years to 2014-15.



2009-10	2010-11	2010-11	2011-12	2012-13	2013-14	2014-15
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⁵ ABS, *Mineral and Petroleum Exploration*, December 2011

⁶ ABS, *Mineral and Petroleum Exploration*, December 2011

⁷ ABS, *Labour Force Australia, Detailed, Quarterly*, February 2012

⁸ NSW Government, Budget Papers 2011-12, *Budget Overview*, p19

	Actual \$ m	Budget \$ m	Est.Actual \$ m	Budget	Forward estimates		
					\$ m	\$ m	\$ m
Total Royalties	985	1,768	1,240	1,768	2,128	2,215	2,351

Additionally, on 6 September 2011 the NSW Government handed down its 2011-12 Budget, including an announcement of an increase to coal royalties to offset the cost of the Commonwealth Government's carbon tax on the NSW Budget. That increase in royalties of \$944 million over four years will apply only to those entities with a Minerals Resource Rent Tax (MRRT) liability.

2.6 Contribution to energy supply in NSW

Coal has played a fundamental role in the NSW economy for many decades. NSW has 44 per cent of Australia's economic demonstrated resources of black coal (measured in terms of energy content).

While coal is NSW's most important export, it is not just an export industry. Coal provides 89 per cent of the State's electricity generation, providing industry and the NSW community with secure, reliable and relatively affordable energy. Coal also underpins a traditional source of NSW's comparative advantage and employment in energy-intensive manufacturing with 70 per cent of electricity demand used by business compared to 30 per cent by residences.⁹

Looking out to 2030, coal is projected to have an important ongoing role in domestic electricity generation notwithstanding a fall in its market share.¹⁰ Moreover, in an environment where retail power bills are a 'white hot' issue with consumers, even under renewed fuel supply contracts between miners and generators, coal will remain the most affordable form of electricity available in NSW over the next decade, allowing for a carbon price.

2.7 Supporting local communities

(a) Investing in the community

Mining is good for the economy. However a strong economy is nothing without strong communities. The NSW minerals industry is committed to investing in, and making lasting contributions, that build the long-term capacity of mining regions and communities.

The NSW minerals industry is involved with a range of groups that support the health, education and wellbeing of people across regional NSW. NSWMC members partner with education organisations such as Life Education to teach youth about the dangers of alcohol and drugs; with local emergency services, providing funding for essential equipment; and with training organisations such as the Hunter Valley Training Company to help young people get job ready.

Modelling undertaken by ACIL Tasman on behalf of NSWMC, the mining industry's contributions to community infrastructure have been estimated at \$109 million annually¹¹.

⁹ ACA and NSWMC, Submission to the NSW Public Accounts Committee, Inquiry into the Economics of Energy Generation, February 2012

¹⁰ Geoscience Australia and the Australian Bureau of Agricultural and Resource Economics, *Australian Energy Resource Assessment*.

¹¹ ACIL Tasman, *Economic Contribution of NSW Mining Sector to 2030: Implications of alternative policy scenarios*, March 2011

(b) Voluntary Planning Agreements

Economic growth brings the benefits of regional investment and jobs. However, it can also place pressure on expanding regional communities. To ensure NSW remains an attractive place to live and work, it is critical that investment in infrastructure and services in mining regions keep pace with this growth.

All levels of government have a role to play in providing infrastructure and services to mining regions. The mining industry plays an important role, including through developer contributions and Voluntary Planning Agreements (VPAs) – the terms of which are agreed with local councils.

Developer contributions are required of all developments under the *Environmental Planning and Assessment Act*. VPAs are increasingly negotiated between local councils and mining companies. Contributions from mines to local councils are used for a wide range of projects including infrastructure and road upgrades, community facilities and services, and the establishment of community funds.

CASE STUDY

Mangoola Mine VPA

The \$4.5 million Voluntary Planning Agreement for Xstrata Coal's new Mangoola Mine was negotiated with Muswellbrook Shire Council and it includes:

- \$500k Local Environment Management – Wybong Uplands Land Management Strategy
- \$600k Local Employment – Education and Training Strategy
- \$1.2m Community Projects – Recreation Assets Renewal Fund
- \$2.2m Community Infrastructure – Denman recreation area enhancements

Xstrata Coal has also committed to invest \$11.5 million in road upgrades and maintenance.



The mining industry's contributions to community infrastructure have been estimated at \$109 million annually.

Payments to local suppliers in the Hunter region alone are estimated at more than \$2 billion per year.

2.8 Other fees and charges paid to governments

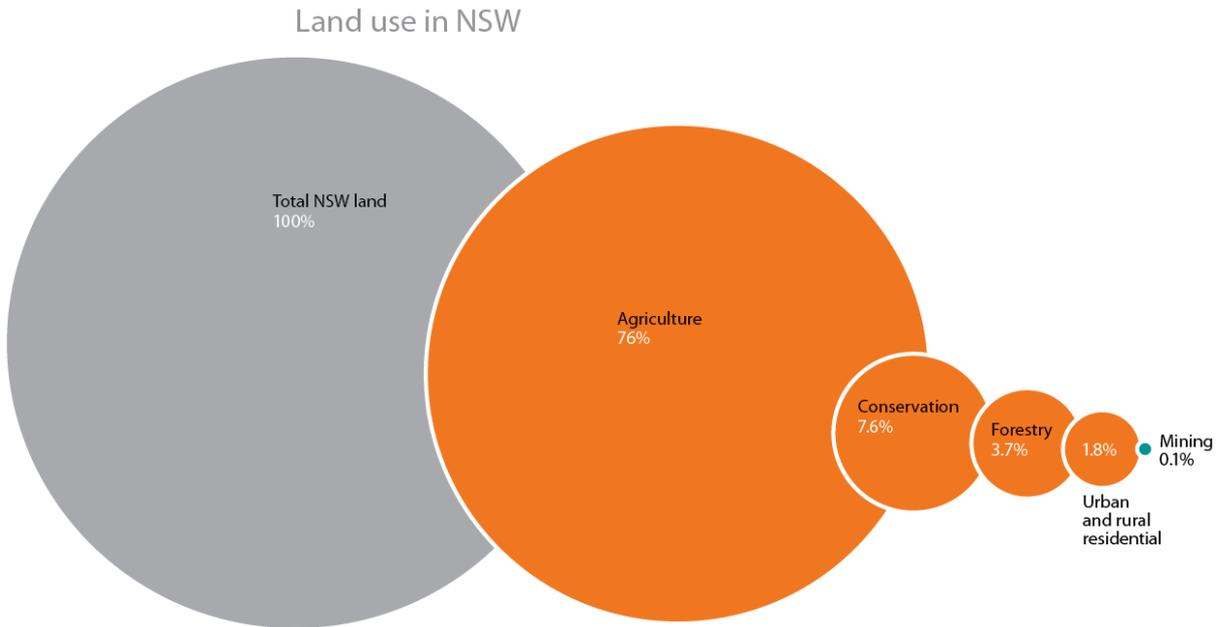
The mining industry pays a range of additional taxes, levies, fees and charges across Federal, State and Local governments, including:

- Local – rates, developer contributions (including Voluntary Planning Agreements)
- State – Payroll Tax, Mine Safety Levy, Mines Rescue Levy, Coal Washery Rejects Levy
- Federal – Company Tax, and soon to be Mineral Resources Rent Tax and Carbon Tax

3 Land and water use

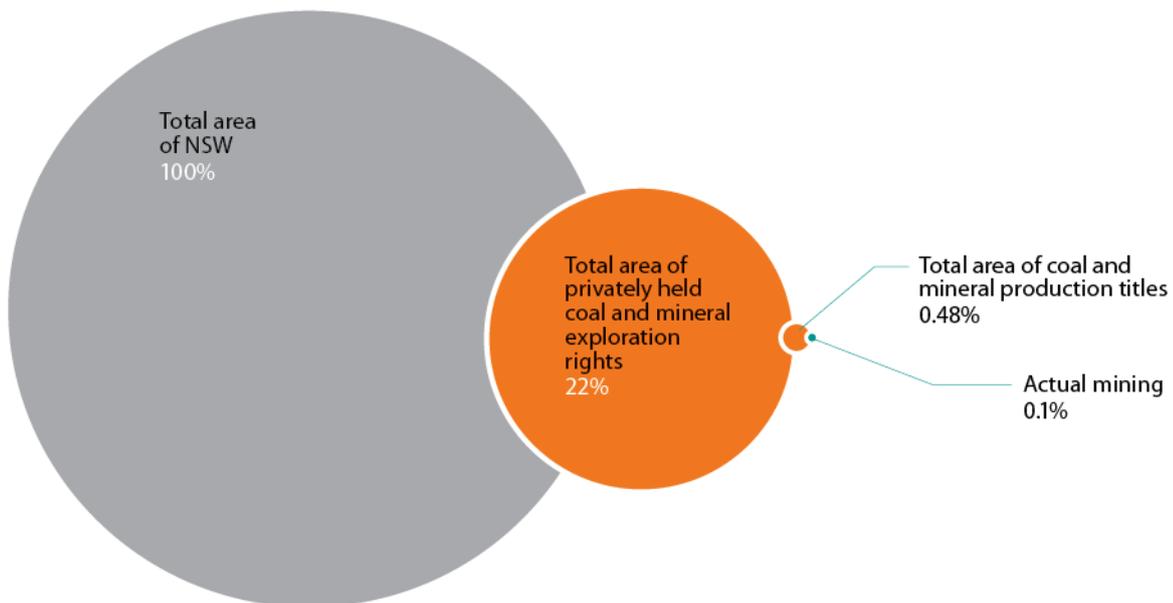
3.1 Land use

Mining is a temporary land use. Actual mining operations take up just 0.1 per cent of the land in NSW.¹²



Privately held coal and mineral exploration titles cover 22 per cent of land across NSW. However, coal and mineral production titles – which are required to undertake mining – cover just 0.48 per cent of land in NSW.¹³

A small impact



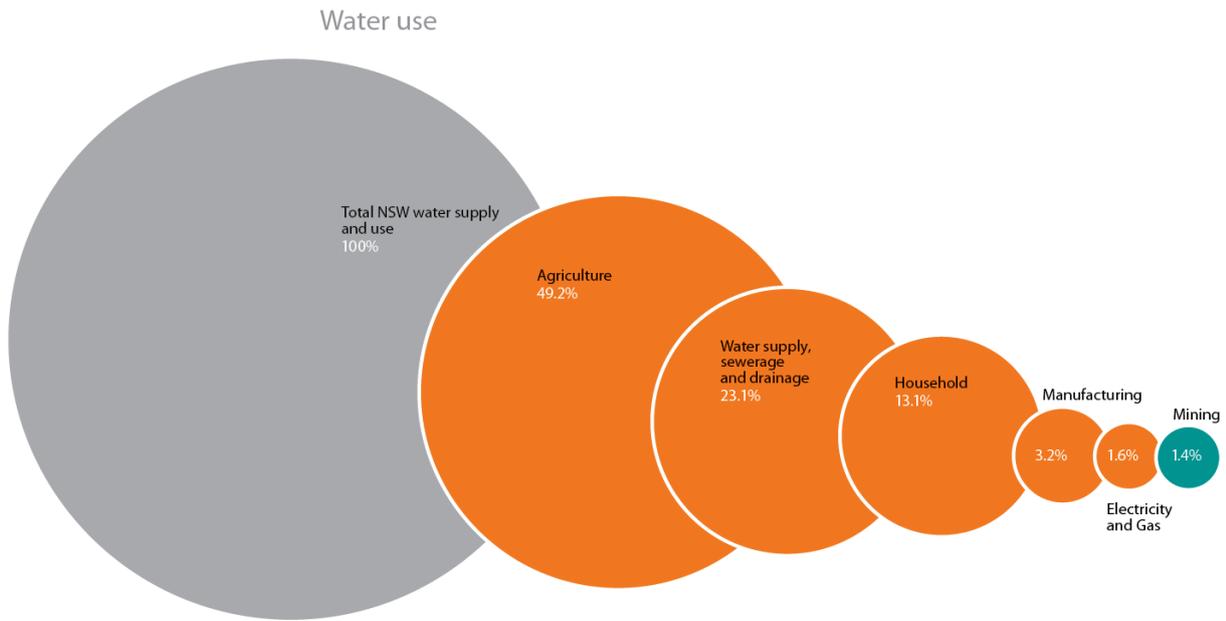
¹² Australian Collaborative Land Use and Management Program

¹³ NSW Trade & Investment – November 2011. Data does not include petroleum titles. Exploration data does not include titles held by Government, which cover 18,537m². No production titles are held by Government.

3.2 Water use

Water is our most important resource and the mining industry uses it wisely. Water is essential for mining and is used for mineral processing, dust control, staff facilities and irrigation.

Mining accounts for just 1.4 per cent of the State's water use.¹⁴ We recycle the water that we draw on with up to 80 per cent being recycled. We aim to use our water even more efficiently in the future.



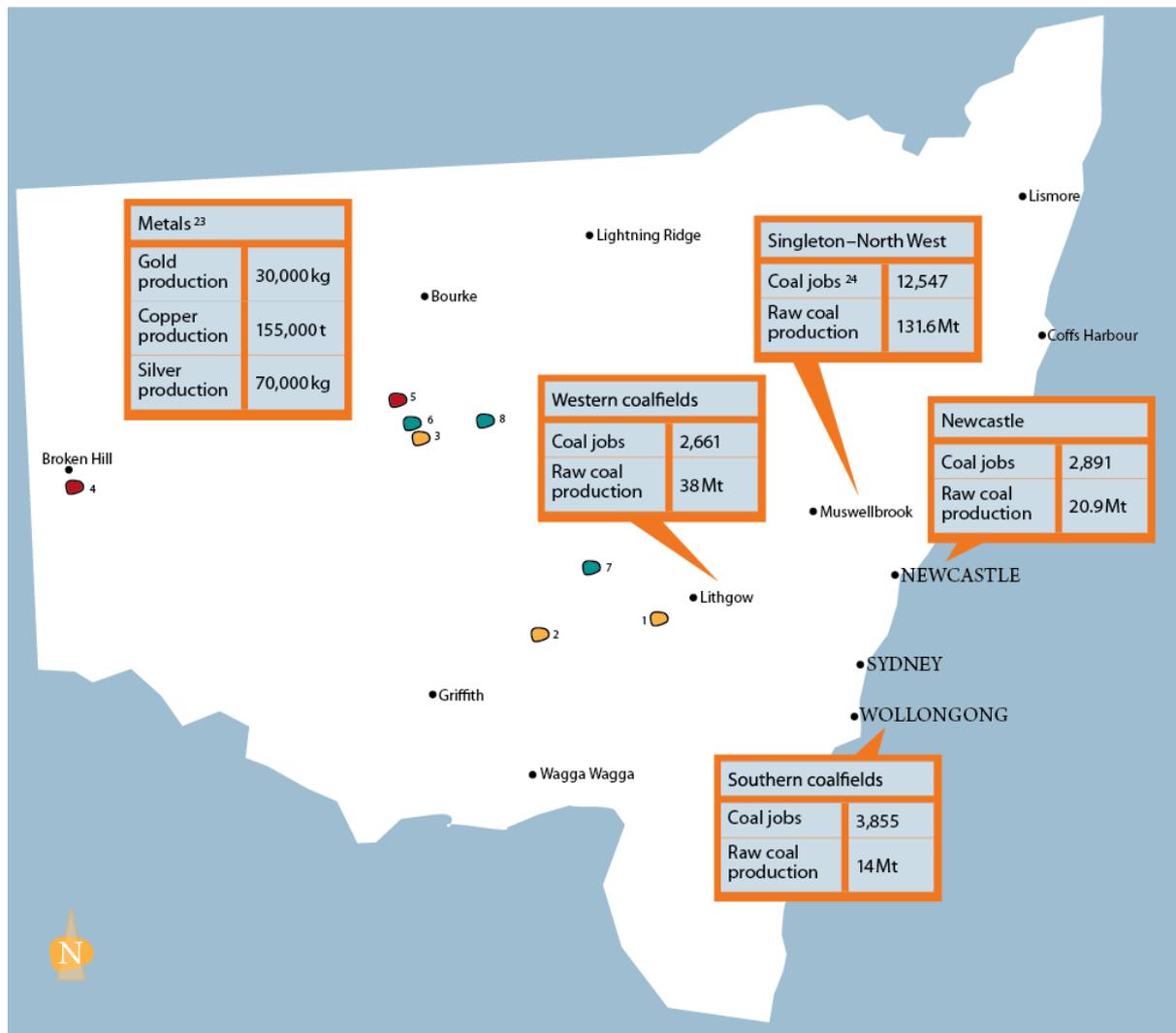
¹⁴ ABS *National Water Account 2009-10*

4 Economic zones for NSW minerals industry

4.1 Regions

The NSW minerals industry operates in communities across the State in the geographic regions of the Hunter (including the Lower and Upper Hunter); New England North West; Illawarra; Central West; and Far West.

Our mining regions



Sources: CSPL; NSW Trade and Investment

4.2 Employment in NSW mining regions

Direct mining employment by region¹⁵:

Region	Number of people employed
Sydney	7,355
Richmond-Tweed and Mid-North Coast	3,542
Hunter and Newcastle	14,999
Illawarra and South East	6,133
Northern, North West and Central West	14,669
Far West	885

A list of major NSW coal and metals mines and their communities is at **Appendix A**.

4.3 The Hunter Valley Coal Chain – an illustration of the scale and scope of the economic zone of the Hunter Valley

The Hunter Valley Coal Chain is the largest coal export operation in the world and consists of rail and port infrastructure, facilities and services:

- Producers – 35 coal mines; 14 producers; 27 load points; about 80 brands of coal
- Track – 5 train haulage operators; 29 trains / 15,000 trips per year; 2 track owners/operators; haulage distances up to 450km
- Export coal terminals – 3 coal loading terminals; 6 dump stations; 7 ship berths
- Port/vessels – about 1000 vessels per year; average size of vessel is 84,000 tonnes; multiple cargoes and coal types; 9 vessel agents
- End buyers – about 34 end buyers; 12 countries; about 85 per cent exports to Japan, Korea and Taiwan
- Other – 16 independent organisations required to move each tonne of coal; average 5 day cargo assembly build time.



A key element of the Hunter Valley Coal Chain is the Port of Newcastle, which is the world's largest coal export port. According to the Newcastle Port Corporation Annual Report 2010-11, coal export trade totalled 108.26 million tonnes valued at \$13.55 billion – an increase of 11.5 per cent on coal export trade of 97.08 million tonnes in 2009-10.

Newcastle Port Corporation's current forecast of coal export throughput for Financial Years:

Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Forecast tonnage (Mtpa)	127	139	157	178	181	181	179	177	177	177

Source: Newcastle Port Corporation, Statement of Corporate Intent, Year ending 30 June 2012

Expansion activities and plans at Port Waratah Coal Services and Newcastle Coal Infrastructure Group, when completed, will take export capacity to more than 270 Mtpa.

¹⁵ ABS *Labour Force, Australia, Detailed, Quarterly* (data as per February quarter 2012)

5 Economic growth is dependent on a number of factors, including the State's political and regulatory environment

5.1 Fraser Institute Survey 2011-2012 – NSW slips relative to other Australian mining states

The scope for future growth in the minerals industry growth not only depends on the geological nature and geographic location of NSW's mineral reserves. It also depends upon current and future macroeconomic factors affecting demand. NSW's political and regulatory environment can significantly affect the trajectory of the industry over both the short and the long term.

The importance of these factors can be seen in the results of latest The Fraser Institute Survey¹⁶, an annual survey of mining and exploration executives' perceptions of mining jurisdictions worldwide. Ninety-three jurisdictions were included in the 2011-12 Survey, up from 79 in 2010-11. Australian jurisdictions of NSW, NT, QLD, SA, Tas, Vic and WA are included in the Survey.

The key ranking is the Policy Potential Index. NSW ranks 32nd out of 93 jurisdictions – behind all other Australian jurisdictions except Victoria at 44th. The following Table demonstrates how the Australian jurisdictions have compared from 2009-10 to 2011-12.

Jurisdiction	2011-12	2010-11	2009-10
NSW	32/93	20/79	20/72
NT	11/93	27/79	14/72
QLD	28/93	38/79	24/72
SA	19/93	11/79	10/72
Tas	30/93	28/79	23/72
Vic	44/93	31/79	30/72
WA	12/93	17/79	19/72



Disaggregating the 2011-12 ranking, the results indicate that the NSW regulatory environment presents a deterrent to investment as a result of:

- Uncertainty concerning environmental regulations
- Regulatory duplications and inconsistencies
- Taxation regime
- Uncertainty concerning disputed land claims
- Uncertainty over which areas will be protected as wilderness, parks or archaeological sites.

NSW rated 47th in the composite of policy and mineral potential – WA ranked the highest of the Australian jurisdictions at 5, SA at 12, NT at 21 and QLD at 23. Tasmania and Victoria fared more poorly than NSW.

5.2 Outcomes illustrated by modelling

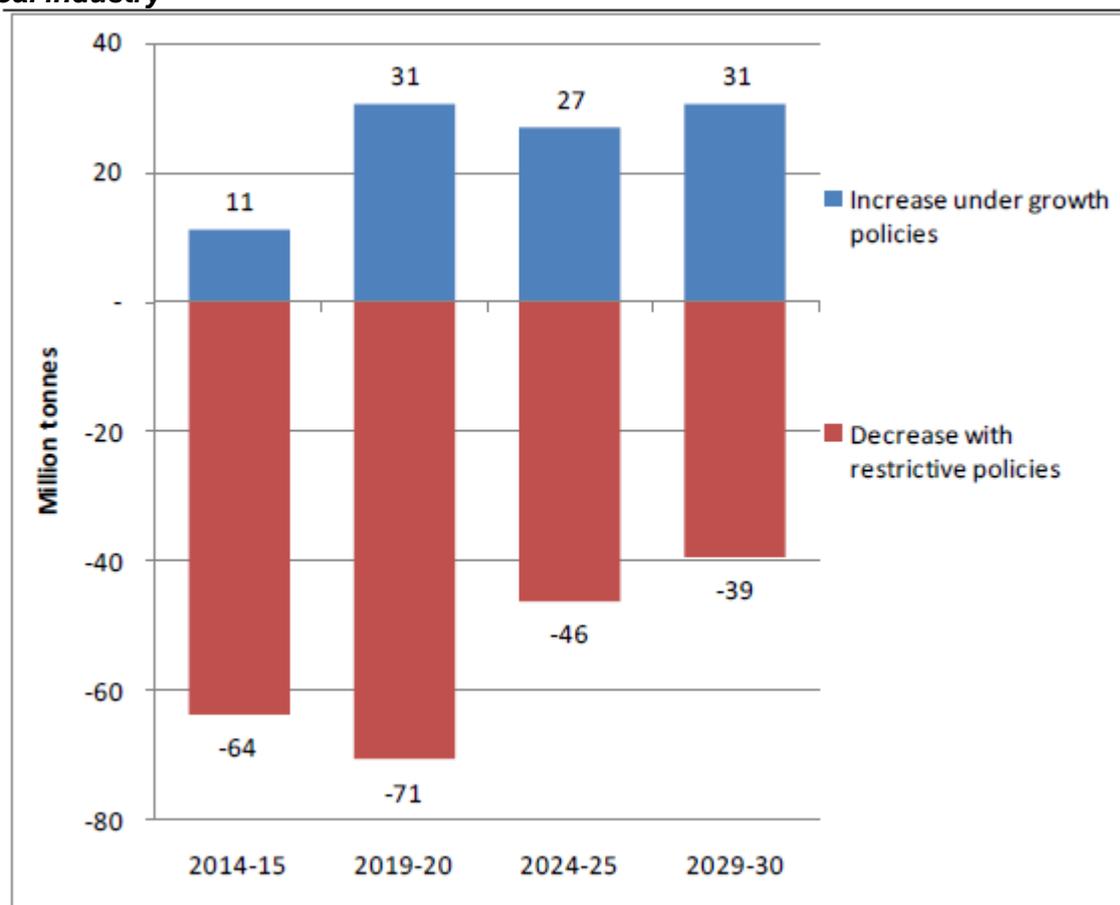
If the NSW policy environment becomes more hostile to mining investment, industry growth will be significantly damaged, with subsequent negative impacts to the NSW economy.

¹⁶ The Fraser Institute, *Survey of Mining Companies 2011/2012*, Released 23 February 2012

Research shows that the impact of a prolonged delay in development approvals is immediate, severe and long-lasting. This is because producers, particularly in the coal sector, are applying for approvals to produce from new areas in existing tenements. The effect of a significant delay is to deter investment that may never return, causing major damage to the mining sector and the communities that rely on it.

Modelling undertaken by ACIL Tasman on behalf of NSWMC of a restrictive policy scenario that included a two-year moratorium and two-year delay in mining development approvals, along with royalty rate increases of 1.0-2.8 per cent, produced a fall in coal production of 71 million tonnes per annum by 2020, with production remaining significantly below a 'business-as-usual' (BAU) scenario out to 2030.¹⁷ See Figure 1 below.

Figure 1: Difference in coal production compared with the BAU for the whole NSW coal industry



Source: ACIL Tasman analysis of MCNSW survey of coal and mineral producers, in ACIL Tasman, *Economic Contribution of NSW Mining Sector to 2030: Implications of alternative policy scenarios*, March 2011

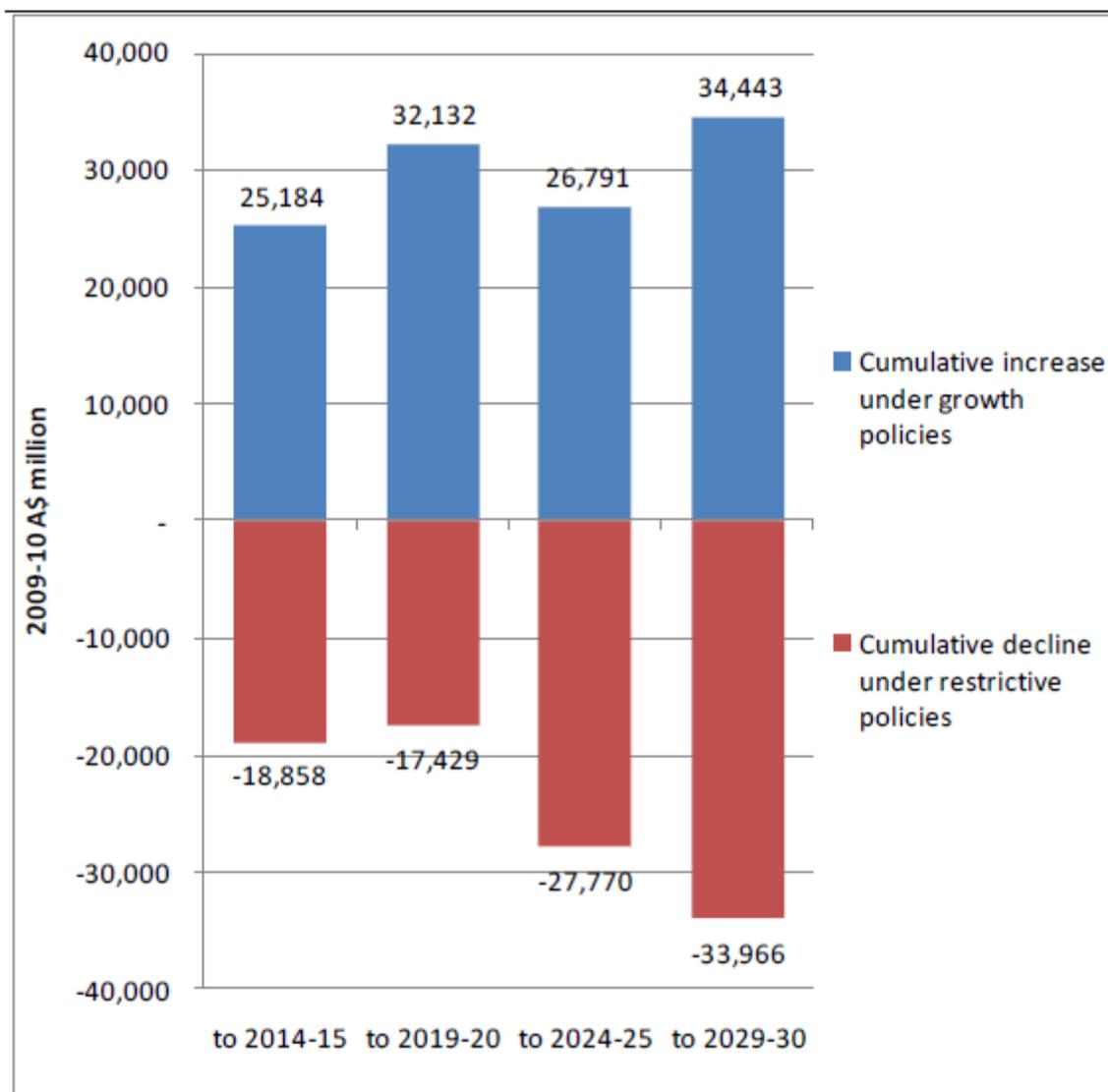
Similarly, coal mining investment under this scenario would fall below BAU by a cumulative total of \$17.4 billion by 2020, increasing to \$34 billion by 2030.¹⁸ The outcome for NSW would be a \$36 billion hit to Gross State Product (GSP) by 2030, a loss of more than 6,000 jobs on average a year across the economy, and declining revenues to government over the next two decades. According to the modelling this translates into a loss of around 75,000 jobs to 2020.¹⁹ See Figure 2 below.

Figure 2: Differences in cumulative coal investment compared with the BAU for the whole NSW coal industry

¹⁷ ACIL Tasman, *Economic Contribution of NSW Mining Sector to 2030: Implications of alternative policy scenarios*, March 2011, Table 14, pp. 54-55.

¹⁸ ACIL Tasman, *Economic Contribution*, Figure 21, p. 61.

¹⁹ ACIL Tasman, *Economic Contribution*, pp. viii-xiii.



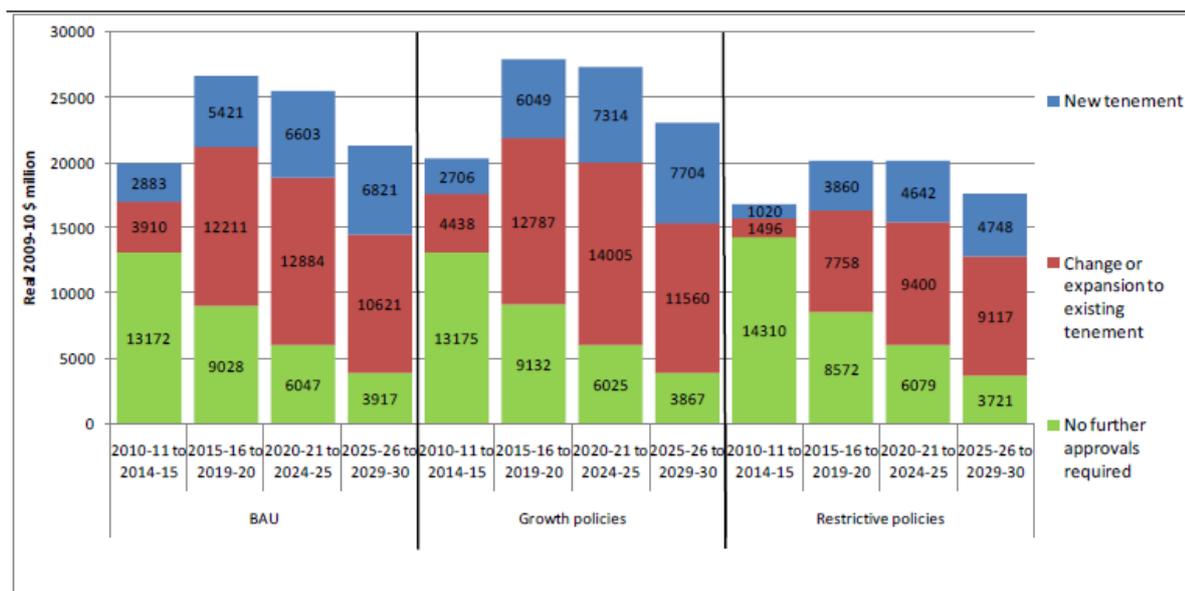
Source: ACIL Tasman analysis of MCNSW survey of coal and mineral producers, in ACIL Tasman, *Economic Contribution of NSW Mining Sector to 2030: Implications of alternative policy scenarios*, March 2011

Conversely, policies eliminating delays on approvals and ensuring delivery of necessary infrastructure enhance the regulatory environment and improve the potential for industry growth. Modelling of a growth policy scenario that includes timely approvals and infrastructure delivery shows cumulative investment would increase by \$34 billion over BAU by 2030, as illustrated in Figure 2 above. This would provide real economic benefits for NSW: an increase of up to \$13.3 billion in GSP by 2030, an average annual increase of more than 3,000 jobs across the economy, and a rise of more than \$180 million per year in government revenues from the mining industry.²⁰

The reason for the greater downside sensitivity is the ongoing need for approvals as mining progresses to allow modifications or expansion to mining plans or for mining in new areas. Without the appropriate approvals, mines have no choice but to reduce production. This is shown in Figure 3 below, where the tonnage not requiring further approvals is similar in all three policy settings.

Figure 3: Approvals required for production under each policy setting

²⁰ACIL Tasman, *Economic Contribution*, pp. viii-xiii.



Source: ACIL Tasman analysis of MCNSW survey of coal and mineral producers, in ACIL Tasman, *Economic Contribution of NSW Mining Sector to 2030: Implications of alternative policy scenarios*, March 2011



Interestingly, in the initial five years to 2014-15, the tonnage that does not require further approvals is higher under the Restrictive policies scenario than under the other two policy settings. This occurs because approvals for modifications and expansions and for new developments are not as forthcoming under this restrictive policy setting. In fact, in the initial five years there is more production (147million tonnes) which relies on existing approvals under restricted growth than under the other two policy settings (136 and 136 million tonnes). This is no doubt due to the fact that miners would be forced to rely more on the existing approvals.

The largest effect from the Restrictive policies is to limit approvals for modification and expansion of existing mines. Under the BAU and Growth policies, around \$12,000 to \$15,000 million is mined under new approvals at existing mines whereas under the Restrictive policies scenario the tonnage shrinks to between \$8,000 and \$10,000 million. Tonnage from new greenfields is also adversely affected by Restrictive policies.

In addition to the economic benefits of mining, with 89 per cent of the State's electricity generated with locally mined thermal coal, access to this resource provides both industry and the community of NSW with a secure and reliable source of energy.

6 A strong NSW minerals industry means a strong NSW: How the NSW Government can contribute to the sustainability and financial growth of mining regions

6.1 Infrastructure and services

Recommendations

- Deliver public infrastructure to meet the needs of mining regions and communities
- Deliver integrated strategic infrastructure plans across State, regional and local areas
- Deliver a long-term sustainable funding model from existing revenue streams to support public infrastructure investment in mining regions, such as *Royalties for Regions*
- Ensure NSW gets a fair share of the Minerals Resource Rent Tax (MRRT) \$6 billion Regional Infrastructure Fund

For many years there has been insufficient and inadequate investment in local, regional and state public infrastructure, facilities and services. This lack of investment is particularly felt by the people in the mining regions of NSW. Adequate investment in public infrastructure is urgently needed.

- (a) Deliver public infrastructure to meet the needs of mining regions and communities

There are several funding sources for public infrastructure across the three levels of Government including:

- Local government: developer contributions including VPAs, and rates
- State Government: *Resources for the Regions*, Royalties and other programs and funds including the Hunter Infrastructure and Investment Fund
- Commonwealth: Building Australia Fund, Regional Development Australia Fund and Regional Infrastructure Fund from the Minerals Resource Rent Tax (MRRT).

For many reasons – including but not limited to the multitude of mechanisms and funds for public infrastructure funding; the involvement of Federal, State and Local Governments; a lack of coordination between all three levels of government, and many years of neglect – the fragmented approach to public infrastructure planning, investment, delivery and governance has delivered suboptimal outcomes across NSW.

The NSW Government therefore has an important role to play in ensuring the coordinated and adequate funding of infrastructure that meets the needs of mining regions across NSW to ensure the sustainability and financial growth of these regions.

- (b) Deliver integrated strategic infrastructure plans across State, regional and local area

The NSW Government has an equally important role to play in leading a holistic, coordinated and aligned, long-term strategic approach to the planning, prioritisation, costing, funding and delivery of publicly funded infrastructure in NSW – across the State, regions and local council areas.

Therefore, NSWMC welcomed the establishment of Infrastructure NSW by the NSW Government. NSWMC particularly commends the disciplined process being undertaken by INSW to develop the 20-year State Infrastructure Strategy (SIS), including taking into account:

- 20 year forecasts of the NSW economy
- Predicted population growth and demand for infrastructure and services



- The current state of infrastructure in NSW
- Investment policies and strategies to efficiently and effectively address infrastructure needs
- Identify funding options and financing models.

According to INSW, the final Strategy will identify what infrastructure the State needs to achieve economic growth and how to activate both public and private sector resources to deliver it. This will enable INSW to prioritise those sectors that drive productivity growth and have the greatest impact on economic growth and, ultimately, quality of life.

The outcome of INSW's work will be a clear pipeline of integrated infrastructure projects to drive the continued economic growth of the economy.

NSWMC recommends the replication of INSW work at regional and local levels

NSWMC supports the extension of INSW's strategic infrastructure planning methodology to NSW regions and local councils – particularly mining regions and councils. This will deliver aligned pipelines of infrastructure projects to drive the sustained growth of mining regions.

Common elements of regional and local strategic infrastructure plans

NSWMC recommends that the timeframes for strategic infrastructure plans (eg 20 year, 5 year) be aligned across State, regional and local areas, and undertaken with the same regularity.

Along with the elements being taken into account by INSW, NSWMC recommends that regional and local strategic infrastructure plans should also incorporate:

- Robust cost/benefit analysis
- Asset management including maintenance, depreciation, end-of-life, replacement
- Project prioritisation processes and outcomes
- Business plans for proposed projects (including life of asset, capex, opex)
- Financial reporting requirements.

NSWMC believes that the evolution to a coordinated and aligned, long-term strategic approach to the planning, prioritisation, costing, funding and delivery of publicly funded infrastructure in NSW – across the State, the regions and local council areas – will assist all levels of government and communities prepare for emerging demographic, economic, social and environmental challenges, and operational planning and budgeting. They are also a method of ensuring accountability for infrastructure planning and delivery to the people and communities of NSW.

- (c) Deliver a long-term sustainable funding model from existing revenue streams to support public infrastructure investment in mining regions

The NSW Government has established the *Resources for the Regions* program. This program includes funding of up to \$160 million over four years to deliver local infrastructure to mining affected communities.

Resources for the Regions is funded under the Government's *Restart NSW Fund*. As stated in the *Restart NSW Fund Bill 2011* (the Bill), the purpose of the Fund is to improve economic growth and productivity in the State, and for that purpose to fund major infrastructure projects and infrastructure projects that will improve, amongst other things, local infrastructure in regional areas that are affected by mining operations.

As outlined in the Bill monies payable into the *Restart NSW Fund* are *all money advanced by the Treasurer or appropriated by Parliament for the purposes of the Fund, including any such money that is certified by the Treasurer as windfall tax revenue in excess of Budget forecasts; money borrowed for the purposes of the Fund, including by the issue of special*



bonds to the people of the State and others; the proceeds of the investment of money in the Fund; all money directed or authorised to be paid into the Fund by or under this or any other Act or law; and all money received from voluntary contributions to the Fund made by a government agency or other person or body.

According to the NSW Government Infrastructure Statement 2011-12, Budget Paper No 4, *Projects to be funded by the Restart NSW Fund will be recommended by INSW and assessed in the Budget process.*

NSWMC recommends a *Royalties for Regions* fund – funded from existing Royalty revenues

NSWMC supports the NSW Government's current *Resources for the Regions* program. However, with the growth projections of mining in NSW, and the significant direct and indirect contributions of mining and associated business to the NSW economy, NSWMC supports a longer-term, sustainable approach to funding public infrastructure in mining regions and communities. This will ensure that mining regions share the economic benefits being delivered by the growth of the sector.

NSWMC recommends that a *Royalties for Regions* fund – whereby a fixed and transparent percentage of existing Royalty payments be annually dedicated to the investment in public infrastructure in mining regions and communities. This money would be applied to projects identified under the strategic infrastructure plans at State, regional and local areas.

NSWMC emphasises that such a fund must not result in additional levies, fees and charges being imposed on the sector. Additionally, administration of the scheme should be transparent and administrative costs minimised.

As an interim measure, NSWMC supports reform of Voluntary Planning Agreements to enhance clarity and consistency and to provide greater certainty for both councils and developers. To do so we recommend that the Treasury undertake a review of developer contributions, including Voluntary Planning Agreements.

- (d) Ensure NSW gets a fair share of the Minerals Resource Rent Tax (MRRT) \$6 billion Regional Infrastructure Fund

There is also significant opportunity for mining communities in NSW to benefit from the Federal Government's Mineral Resource Rent Tax (MRRT). The Federal Government allocated \$6 billion of that revenue for the Regional Infrastructure Fund. NSW must share in the \$6 billion funding. However, while Queensland and Western Australia have each been promised \$2 billion in infrastructure funding, NSW has so far been allocated only \$2 million.

NSWMC has called repeatedly for the Federal Government to provide NSW's mining regions with a fair share of MRRT funding.

It is imperative that the NSW Government takes a proactive approach to ensure that the people of NSW benefit from the additional revenue and promised investment in regional infrastructure which will arise from the application of the MRRT. In order to achieve an adequate share of the MRRT Regional Infrastructure Fund and to avoid a repeat of the poor outcomes for NSW from the Infrastructure Australia process, the NSW Government needs to prepare detailed, costed proposals for priority projects.



Recommendations

- The planning framework is the gateway for investment and development in NSW
- Improved, streamlined, efficient and consistent planning processes – with the appropriate checks and balances – are necessary
- More regulation and duplication, as being proposed in land use plans, will not boost the State's investment credentials

The planning framework is the gateway for development in NSW. The purpose of the planning framework must be to encourage investment and development – including the investment and development of the natural resources that belong to the people of NSW for the benefit of the State as a whole.

Less red tape and a more consistent planning framework that provides certainty for local communities and industry will be critical to boosting the State's lagging economy and returning NSW to its mantle as the premier State.

Mining will continue to make an increasingly significant contribution to the economy. NSWMC believes that improved streamlined processes are needed, particularly in relation to State significant development.

This is particularly so at a time when more regulation and duplication is being proposed in the Government's Draft Strategic Regional Land Use Plans, and the need for a more efficient system with the appropriate checks and balances is greater than ever.

A rejuvenated planning system can be our gateway to greater growth. It has to do more than just re-write the rules – it has to encourage enterprise and endeavour across the economy. It should enable responsible mining development, not by tying projects up in red tape, but by facilitating thorough consultation with the economy and clear science-based assessments.

By addressing longstanding planning inefficiencies and cutting red tape the Government can capitalise on these opportunities and boost the State's investment credentials.

(a) Draft Strategic Regional Land Use Plans

On 6 March 2012 the NSW Government released for consultation *Draft Strategic Regional Land Use Plans* for the Upper Hunter and New England North West. NSWMC is engaged in this process.

Mining and agriculture are both important to the State's economy and the way of life in regional NSW, generating jobs, investment and revenue for governments. NSWMC believes that it shouldn't be a question of one industry or the other – responsibly developed and properly regulated, these industries can continue to co-exist and prosper.

NSWMC is extremely concerned that the Draft plans serve to impose more regulation – and in some cases duplicate existing processes – and deliver less certainty for what is already one of the most heavily regulated and capital intensive industries in NSW.

Of further concern is the application of land use plans to all mining regions of NSW. It is the intention of the Government to complete the current plans (Upper Hunter and New England North West), and then prepare Draft plans for the Central West, West, Southern Highlands, Murrumbidgee and Alpine regions.



As outlined previously in this submission, the scope for future growth in the NSW minerals industry depends on the current and future macroeconomic factors affecting demand – and NSW’s political and regulatory environment can significantly affect the trajectory of the industry over the short and the long terms.

It is in this regard that NSWMC is concerned about the aggregate impact that the Draft plans will have on the short, medium and long-term outlook for the NSW minerals industry and, and the growth and well being of the NSW economy for decades to come.

(1) **The proposed ‘Gateway’ assessment**

The new ‘Gateway’ assessment appears to duplicate processes already in place. It includes the addition of yet another expert panel to decide early in the process whether a proposal can proceed to a second stage with advice from the Federal Government’s Independent Expert Panel.

NSWMC is extremely concerned that this new State-based panel would decide whether a mining proposal can be developed without having actually seen a full mining proposal.

(2) **Mapping of industries and resources**

The mapping of industries and resources could also cause confusion and create more uncertainty:

- The definition of critical industry clusters is questionable given the definition in the plans exclude coal itself, surely one of the most critical industry clusters in the State, and particularly in the Upper Hunter
- Coal resources are defined and mapped too broadly, not accounting for whether those resources can be recovered economically, giving a false impression about the future development of the industry.

(3) **Cost-benefit analysis**

The cost-benefit analysis of land uses is a welcome addition to these plans. It is an essential inclusion that suggests a more strategic at mining developments. However, it is absolutely essential that such analysis is undertaken with proper economic rigour.



(b) The current Planning System Review

A transparent, consistent and efficient planning system will give the community more confidence in the process, and it will provide industries and government more clarity about future development opportunities to plan for the economic growth of NSW.

(1) **Enable, not just regulate development**

The CommSec State of the States report released in January 2012 assessed the economic growth of all of the states and territories and placed NSW at the bottom²¹. NSW performed poorly on indicators relevant to planning performance including construction completed and housing starts, coming sixth out of eight on both accounts. Poor performance in these key economic indicators is a reflection of a planning system that has become mired in a culture of over-regulation, delay and red tape, at the same time as the Department of Planning and Infrastructure is under resourced.

If the economy of NSW is to be turned around, it is vital that the planning system's primary role becomes to enable development. An enabling planning system requires the consideration of projects within reasonable and certain time frames, certainty of process, a whole-of-government approach to development that is state significant, and a hierarchy of plans that allow the NSW Government to ensure that planning decisions are made consistently and in the best interests of NSW.

While the legislation can provide the framework within which the planning system can enable development, the culture of the system will require fundamental changes. This will require considerable change to the administration of the system.

(2) **Provide assessment processes proportionate to the significance of a project**

There is not a one size fits all assessment process and the planning system must provide a hierarchy of processes proportionate to the level of assessment required.

The current planning system reflects different processes for assessment, but these have developed in an ad hoc way. From 2005, with the introduction of Part 3A, NSW has had a dedicated process for the assessment of major projects. While Part 3A has been criticised, largely for allowing projects without state significance to leave the local planning process, the concept of a dedicated assessment process for development that has significance to NSW is sound.

The Development Assessment Forum (DAF), a joint government and industry body established by the Federal Government in 1998, has developed a *Leading Practice Model for Development Assessment*. The DAF model recommends that development applications be streamed into tracks corresponding to the level of assessment necessary to determine the application.²²

Once in a particular track, processes need to be in place to ensure that assessment occurs in an efficient manner. For State significant development this should include a consolidated approvals process that streamlines multiple assessment and approval requirements under different legislation in a single process and approval. The level of assessment and interagency involvement/ consultation for projects of this nature is such that it is sufficient to meet the requirements of other agencies for various approvals that required in addition to the development approval.

²¹ CommSec, *State of the States*, January 2012, www.commsec.com.au

²² Development Assessment Forum, *A Leading Practice Model for Development Assessment in Australia*, March 2005, www.daf.gov.au



(3) **Provide assessment and determination processes that are clear, consistent and transparent**

Development that is state significant should be determined by the NSW Government. Only the Government, through the Minister for Planning and Infrastructure, has the appropriate whole-of-government and whole-of-NSW view to be able to balance the competing impacts and benefits of a project on a local, regional and State scale. Only the NSW Government has a sufficiently strategic focus on the future of NSW to consider whether projects of state significance should be approved or refused.

It is appropriate that there is a system of checks and balances at all levels of the planning system to ensure that decisions are transparent, consistent and not subject to inappropriate influence. Planning decisions at a State significant level, will always involve the decision maker exercising discretion. The use of independent reviews to assess development applications provides guidance for the decision maker, and gives the community the ability to judge the final decision made.

(4) **Support productive consultation and engagement with the community**

The NSW mining industry believes that community consultation and engagement is an integral part of the planning process. Best practice consultation is about more than simply providing information about a project to the community.

Engaging early and frequently with the community has considerable benefits for both the proponent and the community. It allows for the early identification of important environmental and socio-economic issues that should be assessed, allowing these to be included in the EIS. Most importantly it provide for communities and developers to meet face to face and work through issues in a constructive manner.

(5) **Be efficient and provide certainty for the community, government and industry**

Any improvements to the legislation will be ineffective if the culture and administration of the planning system are not improved simultaneously. NSWMC believes that this is a fundamental issue with the planning system and this view is supported by the submissions of other stakeholders, including the Property Council of Australia. Changing the culture of the system needs to be a primary objective of the Review, not simply an outcome of implementation.

Enshrining the efficient operation of the Act within the objects of the EP&A Act is an important part of shifting from the current system which is characterised by unnecessary complication and delay, and will need to be complemented by statutory timeframes, performance targets and a commitment to improved inter-agency cooperation.



6.3 Build a healthy exploration sector in NSW

Recommendations

- Renew and expand the *New Frontiers* program of pre-competitive geosciences data collection and provision
- Streamline the regulatory framework governing exploration to remove duplication and undue regulatory burdens
- Advocate to the Federal Government for the establishment of a *Flow Through Shares* scheme

The future success of the mining industry is largely dependent on the work of the minerals explorers of today. Exploration is crucial to creating the pipeline of projects necessary for a sustainable mining industry. Exploration is also vital to the diversification of the minerals industry.

The State's coal resources are generally well understood, and exploration in this sector is largely directed at gaining more detailed knowledge of particular deposits. However, in the case of metalliferous and industrial minerals, major discoveries of mineral deposits are uncommon and typically represent only a small proportion of the total exploration activity in any period. Although a high level of exploration is therefore required to find significant new deposits, the returns on exploration can be of significant value. Gold production in NSW, now worth over \$1 billion per year, would not exist without exploration.

Explorers in NSW have recently faced significant increases in regulatory red-tape, administrative workload and fees. In conjunction with greater uncertainty arising from the NSW Government's Strategic Land Use Planning policy, these factors are deterring exploration in NSW, putting at risk the future of the State's mining industry.

NSW mineral exploration expenditure lags well behind Western Australia, Queensland, South Australia and the Northern Territory; and experienced the smallest year-on-year growth of all of Australia's mining states over the last two financial years.



State	WA	Qld	SA	NT	NSW
2010-11 exploration expenditure (\$ million)	\$1,590.1	\$663.5	\$254.6	\$195.2	\$153.1
2009-10 Exploration Expenditure (\$ million)	\$1,244	\$436	\$167	\$149	\$130
% Change YoY	27.8	52.2	52.5	31.0	17.8

Source: ABS, *Mineral and Petroleum Exploration*, December 2011, Cat No. 8412.0.

Additionally, the 2011-12 Fraser Institute Survey ranks NSW 41 out of 93 jurisdictions for the attractiveness of its mineral potential under current regulation and land use restrictions, behind the other Australian mining states of Western Australia, Queensland, South Australia and Northern Territory.

As evidenced above, NSW faces fierce competition from other Australian mining States in attracting exploration investment. If the Government fails to encourage exploration in NSW, private investment in exploration will move to more receptive jurisdictions, whether within or outside Australia. This will force NSW mining operators to increase their reliance on brown-

field developments, which in the medium term will result in the decline of the mining industry. The potential losses to the State from foregone minerals discoveries are substantial.

(a) Renew and expand the New Frontiers program

Government investment in pre-competitive exploration research is vital to maintain the exploration sector's viability, and plays a large part in the development and diversification of NSW's mineral resources. Government investment in regional geographical data sets provides a significant stimulus to exploration, and led directly to the development of copper and gold mines Cadia, Northparkes and Cowal.

The former Government's *New Frontiers* initiative provided \$16.5 million over three years for geophysical surveys, data compilation, mapping, data interpretation and delivery. Such investment provides a significant return in exploration expenditure alone. Between 2008 and 2010, \$11 million was spent through *New Frontiers*, while private minerals exploration expenditure totalled \$308 million.²³

NSW urgently needs long-term financial commitment to precompetitive mineral exploration research. NSWMC strongly urges the NSW Government to commit to renewing and expanding *New Frontiers*.

The Government should also consider developing a co-funded drilling incentive program, as successfully implemented in South Australia and Western Australia. These measures are crucial to maintain NSW's attractiveness to exploration investment.

(b) Streamline explorers' administrative burden

Exploration for minerals involves one of the highest levels of financial risk in the commercial sector. Most exploration is undertaken by junior explorers, who must manage their financial risk while operating on subscribed capital only, with no sustainable income. For these reasons junior explorers are particularly impacted by increased costs and administrative burdens.

The regulatory framework for mining and exploration is not operating efficiently or fairly, following recent amendments to the *Mining Act 1992* (Mining Act), the introduction of the *Mining Regulation 2010* (Regulation) and recent changes to exploration licence (EL) conditions. The changes were largely made without consultation with industry and without regard for the consequences to investment in exploration.

Examples of increases in the administrative burden include:

- The recent addition to the EL conditions of a requirement for Ministerial approval of a change of control, or a foreign acquisition of substantial control. This condition, which appears not to exist in any other Australian jurisdiction, creates enormous uncertainty for all forms of capital raising and imposes severe limitations on companies and their ability to change, dispose or invest in entities with exploration licences. This will lead to the direct devaluation of NSW exploration assets.
- The new requirement to obtain the consent of the holder of any registered legal or equitable interest to the transfer of an authority or the registration of a sublease. This gives holders of minor interests the ability to prevent title transfer regardless of the strength of their interests.
- The time involved in receiving ELs and renewals can be quite lengthy; in some cases explorers have waited up to 12 months for their ELs and renewals to be granted.

²³ ABS, *Mineral and Petroleum Exploration*, December 2010, Cat No. 8412.0.



NSWMC calls for a reduction of the administrative burden placed on explorers, including addressing the issues outlined above.

(c) Support a Flow Through Shares scheme

Junior explorers with no taxable income are unable to claim deductibility of eligible exploration expenses. The creation of a Flow Through Shares (FTS) scheme, by which junior explorers could pass a percentage of their unrealised tax deductions through to shareholders, would address the current structural imbalance.

The industry supports a scheme whereby junior exploration companies undertaking greenfield exploration in Australia can pass a percentage of their unrealised tax deductions to Australian shareholders via exploration tax credits (ETCs) at the Australian company tax rate. Eligible shareholders would then be entitled to use their ETCs to offset personal tax liabilities. A study by Synergies Economic Consulting and the Centre of Policy studies found that such a scheme would increase exploration expenditure by 10-30 per cent.

The Federal Government committed to implementing a FTS scheme in 2007. NSWMC calls on the NSW Government to advocate the establishment of a FTS scheme to the Federal Government.



6.4 No new taxes, fees and charges to be imposed on the minerals industry

Recommendations

- No further costs should be imposed on the minerals industry through royalty rates, taxes or levies
- Removal of Coal Washery Rejects Levy
- Restore allowable transport deduction to promote inland coal mining

(a) No further costs should be imposed on the minerals industry

The NSW minerals industry pays significant fees, charges, levies and taxes across the three tiers of government – Federal, State and Local Government.

No further costs should be imposed on the industry through royalty rates, taxes or levies. Any further increases in the costs of doing business heightens the risk of further discouraging the investment necessary for continued industry growth – and therefore reducing the industry's direct and indirect contribution to Government revenues and the NSW economy.

(b) Repeal the Coal Washery Rejects Levy

In November 2009 the previous Government introduced a Coal Washery Rejects Levy of \$15 per tonne on coal washery rejects received from 'offsite and applied to land, other than as part of an approved mine remediation plan'.

The Levy, administered by the Office of Environment and Heritage, is not applicable to most NSW mining operations, but on those to which it is applied it imposes a heavy financial burden. For some mining operations the Levy's annual cost runs to several million dollars. This has led to an inequitable impact on the industry.

No other Australian mining State has imposed a similar cost. Moreover, there are no viable alternatives to current practices for the disposal of coal washery rejects, despite ongoing industry research. The environmental benefit of the levy is therefore negligible.

The Levy's sudden introduction and inequitable impact have contributed to the increasing concern felt globally among mining operators about NSW's regulatory environment. NSWMC recommends that the Levy be repealed until viable alternative disposal methods are developed.

(c) Restore allowable transport deductions to promote inland coal mining

In the 2008 mini-Budget, the Government announced the removal of transportation costs from the deductions allowable for the calculation of coal royalties.

The removal of allowable transport deductions has a greater impact on operations the further away they are from port facilities, and unfairly penalises mining operations with higher rail transport costs.

Following the removal of the transport costs from the deductions allowable for the calculation of coal royalties, the previous Government provided up to \$10 million per year for two years to operators in the Western and Gunnedah coalfield – which did not allow the full recovery of costs – for those operators impacted by the removal of the deduction. This interim measure ceased in 2011.



NSWMC advocates for the permanent reinstatement of the allowable transport deduction in the calculation of royalties. This would provide the stability necessary for sustaining and securing investment and employment in the Western and Gunnedah coalfields.



Appendix A

Major NSW coal and metals mines and their communities

Central West			
Mine Site	Community (City/Town)	Mineral	Sole or Major Owner (parent company in brackets)
Airly	Lithgow	Coal	Centennial Coal Company Ltd
Angus Place	Lithgow	Coal	Centennial Coal Company Ltd
Cadia Valley Operations	Orange	Copper, gold	Newcrest Mining Limited
Charbon	Kandos-Rylstone	Coal	Centennial Coal Company Ltd
Clarence	Lithgow	Coal	Centennial Coal Company Ltd
Cowal	West Wyalong	Gold	Barrick Gold
Cullen Valley	Lithgow	Coal	Coalpac Pty Ltd
Invincible	Lithgow	Coal	Coalpac Pty Ltd
Ivanhoe North	Lithgow	Coal	Centennial Coal Company Ltd
Moolarben	Mudgee	Coal	Moolarben Coal Mines Pty Ltd (Yancoal Australia Pty Ltd)
Northparkes	Parkes	Copper, gold	Rio Tinto Group/Sumitomo Group
Springvale	Lithgow	Coal	Centennial Coal Company Ltd
Ulan	Mudgee	Coal	Ulan Coal Mines Ltd (Xstrata Coal Australia Pty Ltd)
Wilpinjong	Mudgee	Coal	Wilpinjong Coal Pty Ltd (Peabody Energy Australia)



Far West and Orana			
Mine Site	Community (City/Town)	Mineral	Sole or Major Owner (parent company in brackets)
Broken Hill	Broken Hill	Lead, zinc, silver	Perilya Limited
CSA	Cobar	Copper	Cobar Management Pty Ltd (Glencore International AG)
Endeavour	Cobar	Silver, lead, zinc	CBH Resources Ltd
Ginkgo	Broken Hill	Titanium minerals, zircon	Bemax Resources Ltd
Peak Gold	Cobar	Copper, gold	New Gold
Tritton	Nyngan	Copper	Straits Resources Limited

Illawarra			
Mine Site	Community (City/Town)	Mineral	Sole or Major Owner (parent company in brackets)
Appin/ Appin West	Appin-Douglas Park	Coal	Endeavour Coal Pty Ltd (BHP Billiton)
Berrima	Medway - New Berrima	Coal	Boral Limited
Dendrobium	Wollongong-Mt Kembla	Coal	Dendrobium Coal Pty Ltd (BHP Billiton)
Metropolitan	Wollongong-Helensburgh	Coal	Helensburgh Coal Pty Ltd (Peabody Energy Australia)
NRE No. 1	Wollongong	Coal	Gujarat NRE Australia Pty Ltd
NRE Wongawilli	Wollongong	Coal	Gujarat NRE Australia Pty Ltd
Tahmoor	Wollongong-Tahmoor	Coal	Xstrata Coal Pty Ltd
West Cliff	Appin-Wollongong	Coal	Endeavour Coal Pty Ltd (BHP Billiton)



Lower Hunter			
Mine Site	Community (City/Town)	Mineral	Sole or Major Owner (parent company in brackets)
Abel	Newcastle	Coal	Donaldson Coal Pty Ltd
Austar	Cessnock	Coal	Yancoal Australia Pty Ltd
Awaba	Lake Macquarie-Awaba	Coal	Centennial Coal Company Ltd
Bloomfield	East Maitland	Coal	Bloomfield Group
Chain Valley	Wyong-Lake Macquarie	Coal	LDO Coal Pty Ltd
Donaldson	Newcastle	Coal	Donaldson Coal Pty Ltd
Duralie	Gloucester-Stroud	Coal	Gloucester Coal Ltd
Mandalong	Lake Macquarie-Morriset	Coal	Centennial Coal Company Ltd
Mannering	Lake Macquarie-Mannering Park	Coal	Centennial Coal Company Ltd
Myuna	Lake Macquarie-Wangi Wangi	Coal	Centennial Coal Company Ltd
Stratford	Gloucester	Coal	Gloucester Coal Ltd
Tasman	Seahampton	Coal	Donaldson Coal Pty Ltd
West Wallsend	Newcastle-Killingworth	Coal	Xstrata Coal Pty Ltd
Westside	Newcastle	Coal	Xstrata Coal Pty Ltd

Upper Hunter			
Mine Site	Community (City/Town)	Mineral	Sole or Major Owner (parent company in brackets)
Ashton	Singleton	Coal	Ashton Coal Operations Ltd (Yancoal Australia Pty Ltd)
Beltana	Singleton	Coal	Xstrata Coal Pty Ltd
Bengalla	Muswellbrook	Coal	Coal and Allied (Rio Tinto)
Bulga	Singleton	Coal	Xstrata Coal Pty Ltd
Drayton	Muswellbrook	Coal	Anglo American Metallurgical Coal Pty Ltd
Hunter Valley Operations	Singleton	Coal	Coal and Allied Industries Ltd (Rio Tinto)
Integra Coal Operations	Singleton	Coal	Integra Coal Operations Pty Ltd (Vale Australia)
Liddell	Singleton	Coal	Liddell Coal Operations Pty Ltd (Xstrata Coal Pty Ltd)
Mangoola	Denman	Coal	Xstrata Mangoola Coal
Mt Arthur Coal	Muswellbrook	Coal	Mt Arthur Coal Pty Ltd (BHP Billiton)
Mount Owen Complex	Singleton	Coal	Xstrata Mt Owen
Mount Thorley Warkworth	Singleton	Coal	Coal and Allied (Rio Tinto)
Muswellbrook	Muswellbrook	Coal	Idemitsu Australia Resources Pty Ltd
Narama	Singleton	Coal	Xstrata Coal Pty Ltd
Ravensworth Operations	Singleton	Coal	Xstrata Coal Pty Ltd
Rix's Creek	Singleton	Coal	Rix's Creek Ltd (Bloomfield Group)
Wambo	Singleton	Coal	Wambo Coal Pty Ltd (Peabody Energy Australia)



New England/North West			
Mine Site	Community (City/Town)	Mineral	Sole or Major Owner (parent company in brackets)
Boggabri	Boggabri	Coal	Boggabri Coal Pty Ltd (Idemitsu Australia Resources Pty Ltd)
Narrabri North	Narrabri	Coal	Narrabri Coal Operations Pty Ltd (Whitehaven Coal Mining Ltd)
Rocglen	Boggabri	Coal	Whitehaven Coal Mining Ltd
Sunnyside	Gunnedah	Coal	Whitehaven Coal Mining Ltd
Tarrowonga	Boggabri	Coal	Whitehaven Coal Mining Ltd/ Idemitsu Australian Resources Pty Ltd
Werris Creek	Quirindi	Coal	Werris Creek Coal Pty Ltd (Whitehaven Coal Mining Ltd)