Regional development and a global Sydney

Site visit report

West Wyalong August 2017



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Site visit to West Wyalong

On Tuesday 15 August 2017, the Standing Committee on State Development undertook a site visit to West Wyalong.

West Wyalong is a town located within the Bland Shire. The town is located 467 kilometres of west of Sydney on the crossroads of the Newell Highway between Melbourne and Brisbane, and the Mid-Western Highway between Sydney and Adelaide.

West Wyalong was originally a gold mining town, gold having been discovered in nearby Wyalong in 1893.¹ Mining is still a key industry for the area, with Evolution Mining, Argent Minerals, Thomson Resources, Sandfire Resources and St Barbara Limited undertaking activities in the Shire. Other key industries include agriculture, food production, freight and catering to tourists travelling the Newell Highway.

Members visited:

- West Wyalong airport for a briefing from Bland Shire Council staff and Mr Mal Carnegie of Lake Cowal Foundation
- Graincorp Calleen
- Evolution Cowal Gold Mine.

Briefing from Bland Shire Council and Lake Cowal Foundation, West Wyalong Airport

Committee members travelled to West Wyalong Airport and met with the following representatives:

- Mr Jeff Stien, Senior Economic Development & Tourism Advisor, Bland Shire Council, and Chair, Newell Highway Promotions Committee
- Mr Tony Lord, Mayor of Bland Shire Council
- Mr Ray Smith, General Manager, Bland Shire Council
- Ms Adele Casey, Director Corporate, Community and Development Services, Bland Shire Council
- Mr Will Marsh, Director of Engineering, Bland Shire Council
- Mr Malcolm Carnegie, Projects Manager, Lake Cowal Foundation.

Mr Stien discussed with the committee a range of local attributes and business opportunities. These extended from natural flora and fauna, to tourist attractions, and a summary of some of the key projects in the region, particularly those relating to mining, food production and processing and grain production and harvesting. Mr Stien also told the committee about projects council has undertaken to attract new visitors and businesses to the area, including an upgrade to the local stadium and initiatives to attract groups to use the airport facilities. Eco-tourism is also a growth industry owing to the town's proximity to Lake Cowal .

¹ Submission 28, Bland Shire Council, p 11.

Although the Bland Shire is centrally located along key highway routes, the population of approximately 5,865 is comparatively small to other regions.² Key towns like West Wyalong have not enjoyed the strong regional profile that some of the neighbouring regional centres like Parkes and Wagga Wagga have enjoyed. Mr Stien the difficulties that far-regional communities face in attracting funding and new infrastructure projects, particularly in view of the stringent cost-benefit requirements applied by NSW Treasury and the Federal Government.

Mr Stien spoke to the particular impacts experienced by both West Wyalong and surrounding communities following a significant flooding event on the Newell Highway in 2016, the full extent of which were published in a report prepared for the Newell Highway Task Force by the National Institute of Economic and Industry Research. Mr Stien also advised that additional funding for the improvement of roads, the local airport, telecommunications networks and other local infrastructure is urgently required, as is a regular air passenger service. The region would also benefit from funding to promote caravan and camping routes along the Newell, a key industry for the region.

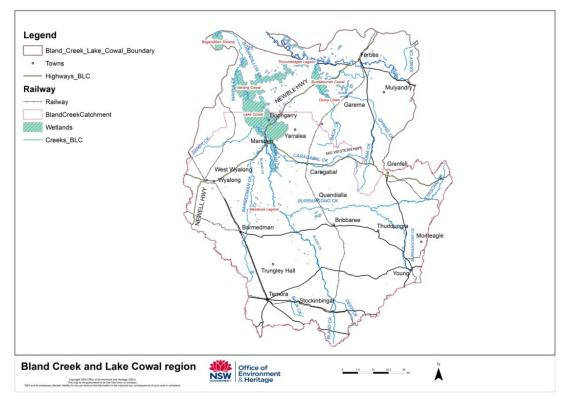


Figure 1.1 Bland Creek and Lake Cowal region³

Graincorp Calleen

Committee members travelled to GrainCorp Calleen and met with the following representatives at their Condobolin Road, West Wyalong facility:

- Ms Sarah Roach, Regional Manager
- Mr Warwick Smith, Operations Manager

² Submission 28, Bland Shire Council, p 2.

³ Source: Office of Environment and Heritage, provided by Mr Jeff Stein, Senior Economic Development and Tourism Advisor, Bland Shire Council and Chair, Newell Highway Promotions Committee

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• Mr Darren Hume, Site Manager.

Graincorp is a leading international agribusiness with ownership of assets spanning the grain and oilseed supply chain. Calleen is Graincorp's flagship site, receiving over 110,000 tonnes each harvest since being completed in October 2015. Approximately \$200 million was invested to upgrade rail infrastructure and consolidate 300 sites to 180 sites.

Of the crop received at the site, approximately 80 per cent is forwarded to Port Kembla and approximately 20 per cent is forwarded to clients such as Allied, Inghams and the Nowra Mill.

Calleen is a primary export site with extensive bunker storage, segregation capabilities and hydraulic sample probes. The sampling site is the only site in Australia that utilises auto probes, which enable the site to obtain a full representation of the sample of a truck. Calleen was designed and built as an export-focused site delivering a fast train cycle to Port Kembla. The investment in highly efficient infrastructure has reduced rail supply chain costs, which has translated into improved grain pricing and better returns for growers.

The key issues raised during the visit to Graincorp were the need for investment in regional infrastructure like highways and roads to facilitate freight and agricultural production, the need for good telecommunications infrastructure, and the benefits that can flow to regionally based businesses who are able to find ways to adapt to changing business forces and implement responsive business models.



Evolution Cowal Gold Mine

The committee met with Mr Jason Greive, General Manager of Evolution Cowal Gold Mine. Also in attendance were:

- Mr Jamie Coad, Sustainability Manager
- Mr Jason Floyd, Operations Manager

The Evolution Coal Mine straddles the boundary of the Lake Cowal ephemeral lake system, the largest in New South Wales. Gold from the mine was used to create the 2016 Melbourne Cup, a fact the local community has taken great pride in. The mine employs 396 people and 85 contractors, most of whom reside locally.⁴

⁴ Evolution Mining, *Cowal Site Visit*, 15 August 2017, p 1.

The mine places a strong emphasis on environmental compliance and the social licence to operate. When Evolution recently applied to the government to extend the life of the mine, 160 submissions were received, all in support with many authored by the local community. Operation is now approved until 2032. The mine measures 1100 metres north-south, 1300 metres east-west, and 320 metres deep, and Evolution believe there is significant potential to grow and transform the asset.

Evolution told the committee that they have had to invest significantly in roads and telecommunications infrastructure because sufficient government funding for infrastructure upgrades had not been made available to the community, particularly to upgrade roads to a standard to support heavy mining vehicles.

The key points and issues raised during the visit to Evolution Cowal Gold Mine were:

- The role of business in supporting local communities to revive and thrive, particularly in terms of employment and other related opportunities.
- The need for investment in regional infrastructure.
- Training and jobs for local indigenous populations.

