

## PARLIAMENTARY STANDING COMMITTEE NO 5 - CSG INQUIRY

### LGSA Response to Questions on Notice from Public Hearing 8 December 2011

#### Questions on Notice:

1. References to research about resilience and cumulative impact assessment.
2. Local Government Experience of CSG in Queensland.
3. Royalties for Regions experience in Western Australia.

#### 1. Research about resilience and cumulative impact assessment

##### Namoi CMC Framework and Model:

The Namoi Catchment Management Authority (CMA) is currently developing a methodology to calculate and manage the cumulative risks to environmental assets from mining in the Namoi Catchment. This work is being developed in response to concern from both environment and farming interest groups about potential cumulative impacts of multiple mines on natural resources assets in the Namoi Catchment. Research conducted as part of the project has indicated that no such model has been built elsewhere in the world.

As the first phase of this work the CMC released a scoping paper in September 2011 detailing a framework to quantify the unmitigated risk of cumulative impacts across nine natural resource assets in the Catchment – soils, land use, surface water, groundwater, vegetation extent, vegetation type, vegetation condition (intactness), landscape connectivity and threatened species. The framework is consistent with the Australian Standard for Risk Assessment and has been reviewed by independent experts and relevant Government staff. The scoping study can be viewed at: <http://www.namoi.cma.nsw.gov.au/41885.html>

The CMC advises that the detailed modeling will be available late in the first quarter of 2012, following completion of the Namoi Water Study as a significant input to the modeling data.

##### Other research on cumulative impacts:

Other studies/research of relevance, particularly to cumulative impacts on communities are:

- *“Coal Mining - Managing the cumulative impacts of multiple mines on regional communities and environments in Australia”*, Daniel Franks, David Brereton and Chris Moran, 2008  
(See: [http://www.iaia.org/IAIA08Calgary/documents/Franks%20et%20al\\_Coal%20Miningn\\_IAI\\_A\\_2008.pdf](http://www.iaia.org/IAIA08Calgary/documents/Franks%20et%20al_Coal%20Miningn_IAI_A_2008.pdf))
- *A Good Practice Guide for the Australian Coal Mining Industry*, Daniel Franks, David Brereton, Chris Moran, Tapan Sarker, Tamar Cohen, University of Queensland  
(See: <http://www.csrn.uq.edu.au/docs/CSRM%20SMI%20Good%20Practice%20Guide%20document%20LR.PDF>)

## 2. Local Government Experience of CSG in Queensland

For an overview of Local Government's experience of CSG and mining projects generally in Queensland we contacted the Local Government Association of Queensland (LGAQ). Key points are summarised below:

- Queensland communities where mining is expanding are experiencing the same impacts as their NSW counterparts, with extreme housing pressure, concerns about impacts on water, agriculture, 'poaching' of employees with offers of higher salaries and transport impacts.
- Councils wish to benefit from the economic development and growth from the resource sector, however Local Government's experience is that the finances are not 'trickling down' and hence the local communities are not seeing the benefits.
- Along with NSW Local Government, Queensland councils are also advocating the WA Resources for Regions model, however in spite of its benefits in the west, the model is being scrutinized by the Queensland Government.

### Partnership Agreement (LAGQ and Queensland Resources Council):

- The LGAQ and Queensland Government Resources Council (QRC) established a partnership project in 2008, signing a "Sustainable Resource Communities Partnership Agreement" to better manage the social consequences of mining across the Bowen and Surat basins and the north west minerals province. (Refer to: [https://www.qrc.org.au/01\\_cms/details.asp?ID=1859](https://www.qrc.org.au/01_cms/details.asp?ID=1859))
- The Agreement is based around the formation of a Partnership Group comprising QRC, LGAQ, relevant local government CEOs and mayors, and State Government represented by Department of Employment, Economic Development and Innovation (including Mines and Energy) and the Department of Infrastructure and Planning.
- The Partnership Group is supported at a local level by Local Leadership Groups. The broad role of these groups is to provide an avenue for communication with companies, contribute to regional planning, and consider solutions to address local and cumulative issues.
- LAGQ advised that the partnership project and leadership groups are working well, though the success of each is somewhat dependent on the commitment and know-how of the individual managers/leaders involved in each group.

### Community Survey:

- The LGAQ reported in its December 2011 circular that a recent survey of central western Queensland residents found that people in the region have major concerns about the impact of resource activity on agriculture, grazing and water quality. The results of the survey, commissioned by the Remote Area Planning and Development Board (RAPAD), suggest that locals want more information on the impacts of the coal seam gas (CSG) industry in particular. About 42 percent of respondents said they believed CSG would bring economic benefits, but another 40 percent said they thought it would not. A link to the article can be found at: [http://us2.campaign-archive1.com/?u=89d7023514d8f3c62d42215c5&id=1dd2375b40&e=4d42820d0e#article\\_1](http://us2.campaign-archive1.com/?u=89d7023514d8f3c62d42215c5&id=1dd2375b40&e=4d42820d0e#article_1)

### 3. Royalties for Regions experience in Western Australia

For an overview of Local Government's experience of the Royalties for Regions Program in WA we contacted the Western Australian Local Government Association (WALGA). Key points about the program in relation to local government are summarised below:

- The Royalties for Regions program was announced in 2008, along with the Country Local Government Fund (CLGF), which was created to address infrastructure needs across the country local government sector. Local Government in WA welcomed the initiation of the Fund as a component of Royalties for Regions which has provided tied funding for infrastructure provision and renewal directly to Local Governments together with capacity building initiatives delivered through the Department of Local Government. The CLGF returns the equivalent of 25 per cent of the State's mining and onshore petroleum royalties to regional areas each year as an additional investment in projects, infrastructure and community services.
- Since the announcement of Royalties for Regions (and CLGF) in December 2008, Local Governments have benefited in many ways. For example, in 2008-09 alone, CLGF funding saw new, innovative and renewal projects being undertaken including medical centres, co-location of various sporting clubs, replacement of asbestos roofs, restoration projects and synthetic surfaces are a few examples of the wide and varied initiatives undertaken.
- Allocations for the current funding for 2011-12 amount to more than \$54m direct to local councils. The breakdown can be seen at:  
<http://www.rdl.wa.gov.au/publications/Documents/Country%20Local%20Government%20Fund%202011-12%20Allocations%20Direct%20to%20Local%20Governments.pdf>
- Country Local Governments appreciate the opportunities the CLGF presents and acknowledge that much of the infrastructure backlog could not be addressed if not for this welcomed fund. Many smaller Local Governments are not eligible for Commonwealth funding opportunities as the criteria is based on population, so access to State funding based on local decision making is required.
- The fund had some initial teething problems and remains at the mercy of the volatility of the resources sector (although this has remained stable over the past couple of years). However, it continues to provide Local Governments (in particular small country local governments) with opportunities they could have only previously dreamed about or spent several years planning and saving for. As the fund continues, the WALGA has been advocating to the WA State Government to obtain a system that provides certainty of funding in respect to the Country Local Government Fund. While the mining sector can enjoy booms and slumps, discussions have centred on the possibility of 'quarantining' excess funds in the good years to ensure continuity in years when royalties do not meet expectation.

- The guidelines for the Individual and Regional components of the CLGF provide an outline on the current status of the fund. These can be found at:  
<http://www.rdl.wa.gov.au/publications/Documents/Country%20Local%20Government%20Fund%202011-12%20Individual%20Guidelines.pdf>  
and  
<http://www.rdl.wa.gov.au/publications/Documents/Country%20Local%20Government%20Fund%202011-12%20Regional%20Groups%20Guidelines.pdf>