

Submission
No 87

**INQUIRY INTO CURRENT AND POTENTIAL IMPACTS OF
GOLD, SILVER, LEAD AND ZINC MINING ON HUMAN
HEALTH, LAND, AIR AND WATER QUALITY IN NEW
SOUTH WALES**

Organisation: Orange City Council

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Committee Chair
Portfolio Committee No. 2 – Health
Legislative Council
NSW Parliament
6 Macquarie Street
SYDNEY NSW 2000

Via email: PortfolioCommittee2@parliament.nsw.gov.au

Dear Dr Cohn MLC

SUBMISSION – CURRENT AND POTENTIAL IMPACTS OF GOLD, SILVER, LEAD AND ZINC MINING ON HUMAN HEALTH, LAND, AIR AND WATER QUALITY IN NSW – ORANGE CITY COUNCIL

Reference is made to the call for submissions to the NSW Parliamentary Inquiry into *current and potential impacts of gold, silver, lead and zinc mining on human health, land, air and water quality in New South Wales*. The following document is requested to be considered as a submission from Orange City Council and has been developed having consideration to the *Terms of Reference* of the Parliamentary Committee.

Overall, it is acknowledged that the Metals Industry provides important economic and social contributions to the Central West Region of NSW.

Whilst there are a number of mines operating within the Central West that result in positive impacts on the regional economy, Newcrest Mining Limited's Cadia Valley Operations (Cadia) is the most significant for the City of Orange and the surrounding region, due to both its production size and its location, being just 25 kilometres from Orange. I note the mine is not in the Orange LGA.

Key positive socio-economic impacts from Cadia include:

- 1,830 direct jobs.
- 3,230 jobs within the Central West Region.
- 85% of Cadia's workforce live within the Orange, Blayney and Cabonne LGAs.
- The majority of these staff live within the City of Orange.
- 60% of Cadia's workforce already lived locally.
- \$217 million of wages and benefits (2021/22).
- 70% of staff have household members involved in local community groups.
- 26% of employees volunteer their time.
- \$1.198 million donated through its Community Partnership Programs to the communities of Orange, Blayney and Cabonne (2022/23)

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POLICY AND REGULATORY FRAMEWORK

1. NSW GOVERNMENT DEVELOPMENT ASSESSMENT REGIME

NSW has a significantly robust development assessment regime provided through the *Environmental Planning and Assessment Act 1979* (EPAA) and its supporting Planning Instruments.

This planning assessment process commences for integrated mining proposals with the engagement by the proponent with appropriate NSW Government Regulators, including, but not being limited to the NSW EPA, the Resources Regulator, NPWS, NSW Health and TfNSW.

The planning process provides these Regulators the opportunity to identify the specific matters that any proposal for mining application and associated reports must give specific consideration to.

In more recent times, additional and early consultation has become normal practice for proponents of mining developments.

This early consultation process, along with complex planning laws in NSW that require additional advertising of proposals, ensures a competent and adequate Environmental Impact Assessment.

The determining authority of medium to large scale mining development is either a Regional or State Planning Panel. The fact that such development is not considered 'local development' reflects the fact that often the impacts of mining developments extend beyond local Government boundaries, and the assessment and determination of these proposals requires a high level of technical skill and experience.

The extent and complexity of planning procedures within NSW ensures a high level of consultation with Regulators, local councils and also the community. It is submitted that additional regulation around this process would not necessarily provide any benefit to the existing robust process.

The most recent Fraser Institute Survey of Mining Companies (2022: Julio Mejía and Elmira Aliakbari (2023). *Fraser Institute Annual Survey of Mining Companies 2022*. Fraser Institute. <<http://www.fraserinstitute.org>>) showed that mining companies do not see environment regulation in NSW as an incentive to investment - rather as not a deterrent to investment - which suggests a robust and reasonable regime.

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2. OPERATIONAL MONITORING AND REGULATIONS (PLANNING, EPA AND RESOURCES REGULATOR) REGIMES

Operations of mining is heavily monitored through licencing requirements of the State. These controls and requirements have been administered by the State Regulators for many years using licence conditions setting operational limits, environmental health monitoring and also reporting requirements.

The recent and indeed extensive media coverage relating to health concerns of neighbours from dust emissions from Cadia's underground mine vent risers and tailings facilities is acknowledged. It is further noted that emissions are currently being investigated by the NSW EPA, with both regulatory action being commenced against the mine operator, (licence amendment; fine; and Court proceedings).

It is understood that extensive testing have been undertaken by the EPA, the mine operator and also the community to determine any impacts or issues associated with this dust. Notwithstanding the testing conducted, Council is aware that mitigation measures have been implemented that have significantly reduced these emissions in recent times.

The use of Community Consultative Committees provides an invaluable opportunity for community representatives, stakeholder groups and local councils to engage thoroughly with mine operators through the delivery and operation phases of the mine.

These Committees are chaired by an independent person appointed by the Department of Planning/Environment. The Committees are formally and, indeed, publicly kept informed of projects, performance, compliance and community engagement for the operational life of the mine.

Orange City Council has been an active member of the Cadia Community Consultative Committee over the mine's 25 years of operations. The value and continued use of these Committees in the State is very much supported.

3. THE RESOURCES REGULATOR REGULATES HEALTH AND SAFETY OF WORKERS

Health risks relating to dust, water, hazardous materials and other health hazards in the mining operations are monitored and regulated by the Resources Regulator.

4. MINE OPERATORS ARE DEPENDENT ON WORKERS FROM LOCAL AREA

There is a shared incentive for mine operators to prevent health impacts to the surrounding communities and for communities to be protected from health impacts of mining operations.

Mine operators rely on workers from those communities to operate. Mine operators invest in the overall health and wellbeing of their workforce (both at home and at work) - recognising that a healthy and well worker will contribute productively to the mining operation.

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The overlap of workers and community is a shared strategic driver of environmental and social performance.

5. HOUSING AVAILABILITY & ECONOMIC STATISTICS

Whilst some of the positive economic impacts of mining have been detailed above in this submission, it is also noted that impacts from the additional workforce in towns and cities in close proximity to mines also includes the exacerbation of housing issues. These impacts are felt in both availability and affordability of housing. The impacts vary throughout the life of the mine depending on base workforce, maintenance programs and expansion.

It is also noted that from the significant positive economic impacts from mining in terms of household income and expenditure can influence ABS Census Data for a population. That is, with the high incomes and expenditure that arises from mining, the mean and median incomes of houses is often skewed to be higher. When population data is being considered, it does require closer analysis to identify the actual proportion of low to middle income.

Council's Community Strategic Plan has identified the pressures on the City arising from having a 'two-speed' economy and as a result identified the need for more affordable housing options. These options must be explored by all levels of Government and private industry.

Further investigation of this matter by the Inquiry would be helpful.

6. MINING IMPACT ON SKILLED LABOUR

Whilst the positive impacts on household income and expenditure from both direct and indirect mining employees are well documented, it must be noted that mining also provides some challenges to local businesses who can struggle to compete against the mining industry for attracting and retaining skilled labour.

7. INVESTORS CARE ABOUT ENVIRONMENTAL AND SOCIAL PERFORMANCE

Environmental, Social and Governance performance is increasingly being considered by investors, including superannuation fund managers, in investment choices. Mining companies routinely report on their environment and social performance to investors via annual reports and investor briefings.

Investor scrutiny and interest is a rapidly increasingly important strategic driver of environmental and social performance.

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8. IMPACT OF MINING ON TOWN WATER SUPPLY

Orange City Council relies predominantly on surface water from a series of local dams for its town water supply. Extensive monitoring of these supplies and risk assessments have not identified any significant or adverse impacts of mining on water supply quality or quantity.

Yours faithfully

David Waddell
CHIEF EXECUTIVE OFFICER