

INQUIRY INTO BENEFICIAL AND PRODUCTIVE POST- MINING LAND USE

Organisation: Lake Macquarie City Council

Date Received: 2 July 2024



2 July 2024

The Hon. Emily Suvaal MLC
Chair, Standing Committee on State Development
52 Martin Place
SYDNEY NSW 2001

Submitted via portal

Dear Chair,

Subject: Inquiry into beneficial and productive post-mining land use

Lake Macquarie City Council (Council) appreciates the opportunity to provide input into the inquiry into beneficial and productive post-mining land use. We have been at the forefront of advocacy to government on the need to simplify the process for adaptive reuse of mining lands, to provide opportunities for new employment-generating development that will support transitioning economies and respond to the contemporary needs of our community.

Council supported the proponent of the \$95 million Black Rock Motor Resort to work through the long and complex process of having a mining lease relinquished so that the world-class motorsport recreation resort can be built on a former coal mine in the city's west. The process to have the lease relinquished, and the site approved for adaptive reuse, was finally resolved after seven years, with many barriers overcome. Achievement of this milestone provides key insights into the challenges of the current dispersed process and a benchmark for legislative reforms to be measured against.

Council and the Blackrock Founder, Tony Palmer request to present to the enquiry hearings.

Council has stepped up its advocacy on this issue, calling on the State Government to streamline the pathway for adaptive reuse of mining-related sites, so that new opportunities can be pursued for these lands. We have engaged with the NSW Ministers for the Resources and Planning portfolios, the Federal Minister for Climate Change and Energy, the Chair of the Net Zero Economy Agency, and many other government stakeholders.

Adaptive reuse of post-mining landscapes presents a strategic opportunity for transitioning communities. By repurposing disturbed mining and energy-generating lands, communities can avoid the environmental impact of developing untouched greenfield sites. This approach aligns with sustainable development goals and supports housing solutions, job creation, and the emergence of new industries, thereby diversifying local economies.

The complexity of the current regulatory process poses challenges. It is often at the discretion of the mining leaseholder to initiate an alternative land use, leaseholders may lack incentives to deviate from established consent conditions due to the associated risks. This situation can hinder the implementation of adaptive reuse strategies within a reasonable timeframe or uses that are relevant to a modern land use. Notably, successful projects like Black Rock Motor Resort have progressed primarily due to the determination of the proponents, underscoring the need for a more streamlined and supportive regulatory framework.

The government's role is pivotal in facilitating the transition of mining-related lands to new uses. It must act as a custodian, ensuring that the transition reduces the constraints on license holders without escalating risks for future landholders and the community. Mining companies, as key stakeholders, must be encouraged to participate actively in this process.

Adaptive reuse is not merely an alternative to traditional rehabilitation; it is a -forward-thinking solution that requires collaborative efforts, clear articulation of benefits, and a regulatory environment that balances commercial interests with community welfare and environmental stewardship.

Consolidated Recommendations to the Inquiry

The following consolidated list of recommendations to the Inquiry has been derived from the enclosed Lake Macquarie City Council Staff Submission.

1. ***Establish outcomes-based conditions of consent*** which require land to be rehabilitated to a specific standard which incentivises future investment and delivery within a nominated timeframe (short to medium term i.e. 5 to 10 years).
2. ***Introduce a government-endorsed final land use plan*** which incentivises current landowners to prepare a post-mining land use plan meeting economic, social, and environmental outcomes reflecting contemporary needs and priorities.
3. ***Enable streamlined release of certain land within a site*** where it has evidence based capabilities of accommodating “higher order” land uses which deliver on the key community needs of the day.
4. ***Incentivise delivery of alternative, higher-order land uses*** when modifying conditions of consents or rehabilitation requirements for legacy mines and energy generating sites. Land uses with higher job densities such as manufacturing, defence, skills, and training are strategically optimal and locationally appropriate on former mine sites in Lake Macquarie.
5. ***Invest in re-skilling, retraining and educational infrastructure*** where workforces are significantly impacted by large-scale closures. Investment could be determined by nominated thresholds or embedded within a potential value capture mechanism.
6. ***Increase the availability and accessibility of funds*** through programs such as Royalties for Rejuvenation, which support opportunities and projects to deliver innovative post-mining land uses.
7. ***Establish a mechanism to capture excess land value gains*** associated with an increase in the development potential of post-mining land. Such mechanism should be directly attributed toward public benefit.

8. **Embed mandatory minimum engagement requirement with mining communities in the preparation of any new framework** to capture community expectations in the objectives and directions of the recommended SEPP and post-mining land use plan.
9. **Investigate the potential to establish an offset scheme with identified greenfield areas** of comparable or higher biodiversity value.
10. **Establish a government-led regulatory framework** which addresses community safety and benefit, industry commitments to rehabilitation obligations, promotes innovation in land use planning, attracts investment and delivery cultural, economic, environmental, and social benefits to the community.
11. **Establish a Future Job and Investment Authority** to engage with mining communities, industry, and other stakeholders to prepare a State Environmental Planning Policy for post-mining land use.
12. **Embed social impact identification, evaluation, and mitigation in mine closure planning, and any proposals for the adaptive reuse of sites.** In this regard, opportunities for innovative and adaptive reuse must not be considered in isolation, but must also account for the cumulative, structural changes occurring within affected regions.

City Profile

Lake Macquarie is the largest Local Government Area (LGA) in the Hunter region by population and one of the largest regional councils in NSW, with more than 220,000 residents. The city is located on the east coast of NSW, just 60 minutes by road or rail from Greater Sydney. Lake Macquarie City has nine economic centres and 95 suburbs and towns encircling NSW's largest saltwater lake. It enjoys significant lifestyle assets, with proximity to beaches, bushland, and expansive open space.

Lake Macquarie City generates an annual economic output of more than \$30 billion and has a gross regional product of \$16 billion. It is a major economic driver of the Hunter economy, accounting for 20 per cent of regional output. The city is home to two operational underground coal mines, and the Eraring Power Station, Australia's largest power station, which is scheduled for closure in 2027.

Coal mining, and coal fired energy generation, directly employ an estimated 1800 people, contributing approximately 15 per cent of the local economy's economic output. These industries have been stable supporters of high-income jobs and local supply chains in the city for more than 100 years. Due to this legacy, there is an estimated 62km² of former and current coal mining surface land area in the city. This constitutes 9.5 per cent of the total LGA land area and represents a significant opportunity for pursuing alternative land uses.

Council has been proactively working to diversify the city's economy for more than a decade, recognising that a global shift away from carbon-intensive industries will force significant structural adjustment within the local workforce and economy.

Contacts

Thank you for the opportunity to provide input into this Parliamentary Inquiry. For further engagement on the projects outlined, please contact one of the following Council representatives:

David Antcliff – Director Development Planning and Regulation

Daniel Starreveld – Future Cities Leader

Yours sincerely

Morven Cameron
Chief Executive Officer



LAKE MACQUARIE CITY COUNCIL STAFF SUBMISSION

Council staff have prepared the following responses to the inquiry Terms of Reference.

(a) the benefits of having multiple successive land uses including the positive benefits for local communities and the economy, business, industry, and the broader state

The most critical elements of successive land uses are:

1. the time in which a new land use can be realised, and
2. the significance of benefits associated with that land use.

The current framework generally requires completion of all mining lease rehabilitation activities before a new land use can be realised. This process can often take decades to complete. In the intervening period, workers and their families often relocate to pursue work in other regions, resulting in the dislocation of communities and the loss of critical social connections and technical knowledge and skills.

The University of Newcastle's Institute for Regional Futures has been at the forefront of highlighting the transitioning nature of the Hunter Region's economy and workforce, with extractive industries and manufacturing being surpassed by the knowledge-based sector for the first time in its history. For example, within Lake Macquarie historically dominant manufacturing and coal mining sectors contracted from 37 per cent of local output in 2011 to 23 per cent in 2022. Despite this, in-migration has driven rapid population expansion and strong growth in population serving economies.

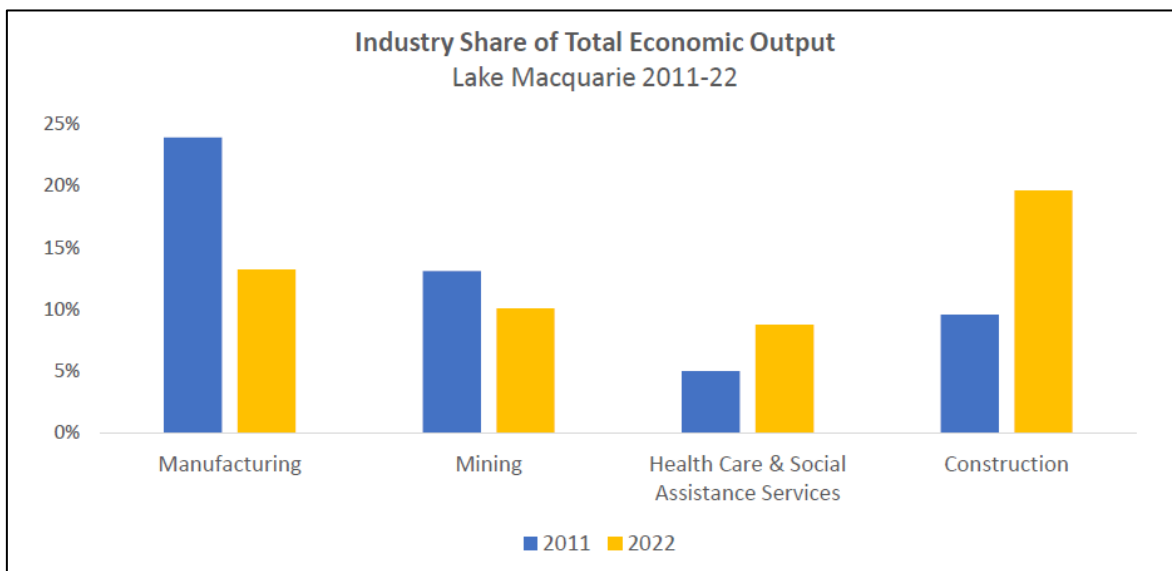


Figure 1 Industry share of total economic output - Lake Macquarie

This economic transition is a once-in-a-generation opportunity to retrain and reskill an established workforce and attract new talent to the city. The latent skills and knowledge capital is a resource to the community and indeed the broader region. Lake Macquarie is uniquely positioned to deliver social, economic, and environmental benefits delivered by residential, industrial, and commercial land uses which may not be achievable on land other than legacy mine and energy-generating sites.

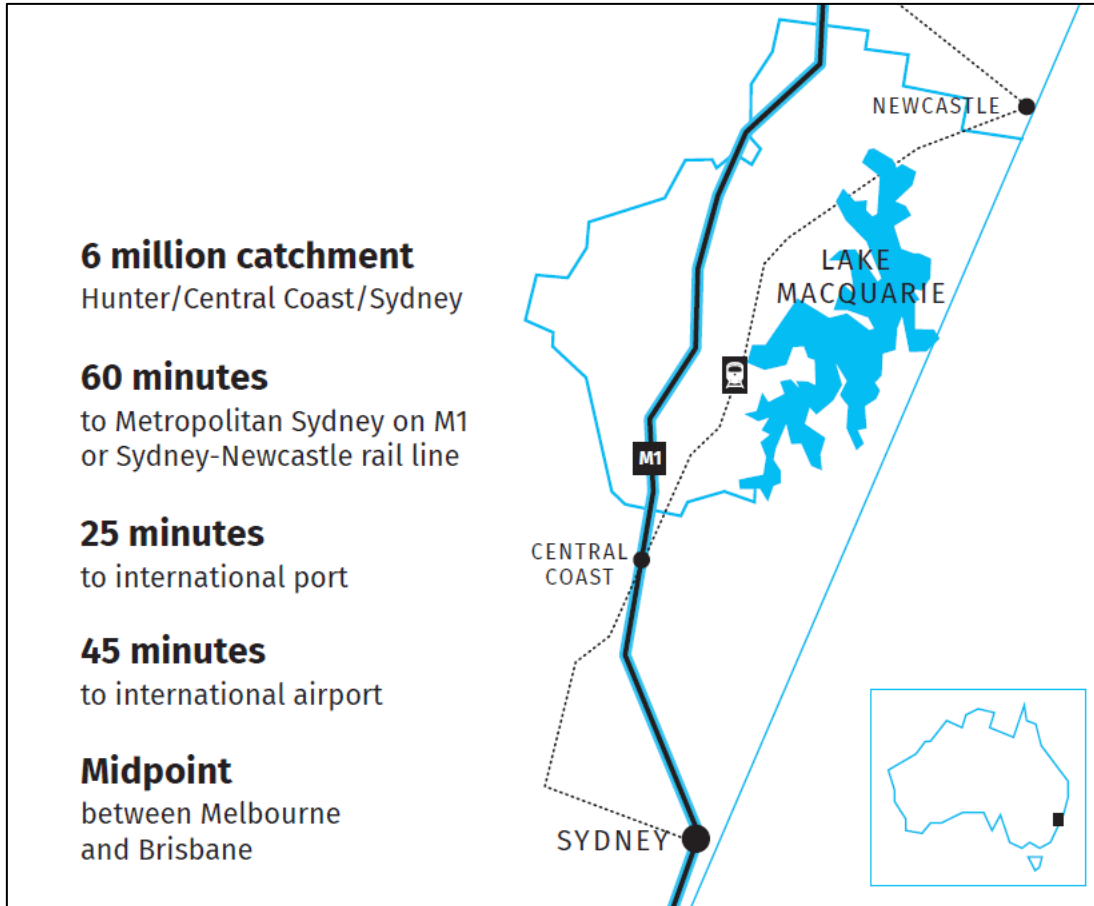


Figure 2 Locational advantages of mine and energy generating sites in Lake Macquarie

A response to the housing crisis

Council recognises the enormity of the housing crisis the country is currently facing with the State Government recently setting a housing target of 8000 homes by 2029, representing a 30 per cent step change in the rate of historic dwelling completions. Our own forecasts identify population growth increasing in the order of 0.92 to 1.13 per cent per year to 2031. This will require the completion of approximately 1000 to 1300 dwellings per year.

To accommodate such substantial growth, Council's local planning framework identifies vast areas of often vegetated land for future growth investigation. These land use strategies recognise the need to balance housing, environmental conservation, jobs, and economic outcomes and have been prepared in consultation with our community over many years and endorsed by Council.

Many of the mining and energy-generating sites in Lake Macquarie are already cleared and have the critical infrastructure and services required to service "higher order" residential, industrial, and commercial land uses such. Council recognises the significance of the opportunity to leverage these assets but also reconsiders the location of our growth from an environmental perspective.

Current landowners are primarily focused on satisfying current mining lease and rehabilitation obligations with the future land use often the outcome of those actions or being determined by any potential future landowner. It is essential to establish a responsive system that enables early, proactive land use planning between government and landowners particularly where contemporary community needs emerge, such as housing and local employment.

Recommendations

1. ***Establish outcomes-based conditions of consent*** which require land to be rehabilitated to a specific standard which incentivises future investment and delivery within a nominated timeframe (short to medium term i.e. 5 to 10 years).
2. ***Introduce a government-endorsed final land use plan*** which incentivises current landowners to prepare a post-mining land use plan meeting economic, social, and environmental outcomes reflecting contemporary needs and priorities.
2. ***Enable streamlined release of certain land within a site*** where it has evidence based capabilities of accommodating “higher order” land uses which deliver on the key community needs of the day.

(b) changes in land use potential and demand in established or traditional mining areas, particularly those generated by the decarbonised economy, renewable technology, manufacturing, defence, skills, and training

Lake Macquarie has grown and changed significantly since the commencement of mining in the 19th century. The urban structure, economic systems, and communities of today were inconceivable even up until the mid-20th century. Changes in land use potential and demand applies to all land within the City, including mining and energy generating sites.

Case study: Macquarie Coal, Teralba

As part of its strategic land use planning for the North West Growth Area, Council completed a preliminary land use opportunities analysis to understand the land use potential of the 1,100Ha Macquarie Coal mine site at 1 Railway Street, Teralba (Lot 25 DP 1110268). The site enjoys a range of key infrastructure including a rail loop, power, water, sewer and substantial road network. The site adjoins land owned by Hunter and Central Coast Development Corporation (HCCDC) and Hunter Water Corporation. The HCCDC lands were transferred into State Government ownership as part of the BHP steel works closing at Newcastle. HCCDC are currently progressing investigation and feasibility work for future urban development and conservation for their land holding.

The unique strategic attributes of the site include adjoining nationally significant infrastructure in the M1 Pacific Motorway and Main Northern rail line which are both National Key Freight Routes with direct access to Newcastle Port. The on-site coal haul road is built to accommodate Class 2 heavy vehicles and provides an uninterrupted connection between the site and Eraring Power Station approximately 15km to the south. The site, like most others in Lake Macquarie, is strategically positioned to deliver several critical priorities across all levels of Government, including:

- Located in the [North West Lake Macquarie Catalyst Area](#) and [North West Regionally Significant Growth Area](#) (Greater Newcastle Metropolitan Plan 2036 and Hunter Regional Plan 2041)
- Lower Hunter Freight Corridor alignment [transects the site](#) (Future Transport 2026)

- High Speed Rail Network corridor alignment transects the site ([High Speed Rail Authority](#))
- Capacity to establish critical industrial and supporting businesses for the Hunter and Central Coast Renewable Energy Zone (REZ) (refer to response to (d)(ii)).

The land use opportunities analysis of the site found if the optimal framework and market conditions were in place, the site had the capacity for:

- 365ha of net developable area (excluding roads and infrastructure) comprising:
 - 64.3Ha of employment land,
 - 210.4Ha of residential land, and
 - 91Ha of tourism and recreation land (107Ha total),
- 598Ha of biodiversity conservation land, riparian corridors, and environmental protection areas, and
- 30Ha of retained mine infrastructure including ash dam pond.

The recent EOI process run by Energy Co for the Hunter-Central Coast Renewable Energy Zone (REZ) highlights the latent demand in the decarbonised and renewable economy within the Hunter region. The EOI attracted significant commercial interest in renewable energy and storage projects in the region, totalling almost 40 gigawatts and more than \$100 billion of potential investment, which included:

- 24 solar energy projects,
- 13 onshore and seven offshore wind energy projects,
- 35 large-scale batteries, and
- eight pumped hydro projects.

Many of the supporting industries and businesses required to deliver the objectives of the REZ are locally available or seeking land to establish in the region. This demonstrates a clear demand of development-ready land. Post-mining sites, such as the Macquarie Coal site, have the capacity to deliver the objectives of the REZ without the requirement to clear areas of biodiversity.

Recommendation

- 4. *Incentivise delivery of alternative, higher-order land uses*** when modifying conditions of consents or rehabilitation requirements for legacy mines and energy generating sites. Land uses with higher job densities such as manufacturing, defence, skills, and training are strategically optimal and locationally appropriate on former mine sites.

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- (c) opportunities for investment and growth in training and skills in established or traditional mining areas, including:**
 - i. the need to reskill and or retrain current workforces**
 - ii. the impact and effectiveness of existing and new education, training, and skills providers for mining communities**

Lake Macquarie has a highly technical and practically skilled workforce, owing to its historically dominant resources, and goods-producing economy. The proportion of the population holding vocational or technical qualifications was 58 per cent at the 2021 Census, which is notably higher than the broader statewide rate of 43 per cent. Most of these qualifications are in fields of study relating to engineering and technology.

This robust technical workforce positions us well for a transition; however, the workforce will need support to leverage into other industries such as advanced manufacturing, renewable energy generation, information media and technology, and the circular economy.

Support for the transition of workers and supply chains affected in the near-term is critical to ensuring the economic and social outcomes in mining communities. The importance of reskilling or retraining workforces is exemplified in our region. Lake Macquarie is home to two operational underground coal mines, and the Eraring Power Station, which is scheduled for closure in 2027. When Eraring Power Station closes it is expected that one of the coal mines, being Myuna, will also likely cease operations as it is a sole supplier to the power station. The closure of Eraring Power Station, and Myuna Mine will result in an estimated loss of 750 direct jobs and a significant local supplier network that has existed for decades. There currently exists no established government framework which will help support the transition of these industries.

Mining, and other associated industries, have a strong association with providing high-value, high-income jobs and economic outcomes. As such, they are noted retainers and attractors of skilled workers. Given the impending closure of mine sites within the Hunter, alternative opportunities must be made available for these workers. In the absence of alternative opportunities, regional areas where mining is a dominant economic feature are at risk of outward migration and flow-on impacts.

Council supports establishment of the TAFE Manufacturing Centre of Excellence in Glendale, which is centrally located within the LGA, close to public transport and the Cardiff advanced manufacturing precinct. Council is having ongoing conversations with TAFE NSW to address skills shortages, reskill our mining community, keep our skilled workforce and their families in place with their communities and build the region's capacity to deliver homes.

Recommendation

- 5. *Invest in re-skilling, retraining and educational infrastructure*** where workforces are significantly impacted by large-scale closures. Investment could be determined by nominated thresholds or embedded within a potential value capture mechanism.

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- (d) opportunities to encourage innovative post-mining land uses including:**
 - i. the planning and implementation of essential supporting infrastructure for future site use,**

Innovative post-mining land use in a Lake Macquarie context, is unlikely to be delivered by the current mining lease holders. A mix of final land uses from employment to residential is not the business model of the mining industry and requires a formalised pathway for new proponents to step in prior to the relinquishment of leases.

New industries require development-ready serviced, zoned, and unconstrained employment land for new businesses to locate quickly. There is a large amount of available land located in the Hunter Region and Lake Macquarie that would be suitable for this purpose but is not appropriately serviced or zoned. Significant portions of these lands are owned by resources companies with objectives to extract and thereafter rehabilitate the site. Conflicting objectives for the reuse of land delays necessary infrastructure investment and land use planning outcomes.

There is economic risk when developing employment generating land without potential future users. Therefore, identifying prospective uses early would be critical to understanding the viability of any future economic transformation of post-mining sites. Investment opportunities supported by the NSW Government should align investment decisions with available opportunities. There is often a mismatch of timing, where companies are making business decisions within a two-year time horizon, but facilities may not be occupiable for five years or more. This gap in timeframe needs to be de-risked by providing investment certainty.

It is noted that substantial amounts of infrastructure, such as roads, railway lines, conveyor systems, buildings, and electricity lines presently exist on current and former mine sites across the State. Mine sites with established infrastructure therefore offer a logical development advantage compared to greenfield areas. An appropriate regulatory framework for the reuse of such sites would allow for significant development and growth opportunities of new industries.

ii. the development of solar farms, pumped hydro, and other clean energy industries,

Lake Macquarie, and much of the Hunter Region is located within the State declared Hunter and Central Coast Renewable Energy Zone (REZ). The REZ is one of five areas across NSW, specifically chosen for its attributes and capacity to deliver large amounts of new energy to power the State's transition to a net zero economy. Whilst the closure of mine sites, and associated coal fired power stations represents a change to the long-term structure of the economy, it leaves behind a significant backbone of electricity network infrastructure that is essential to support the shift to renewable energy generation and green manufacturing. The emerging availability of post-industrial mining and energy generation workers and land presents significant opportunities to leverage investment and growth in new industries.

The \$800 million Eraring Battery Energy Storage System, currently under construction on the site of Eraring Power Station, is an example of the kind of development supported by our position in the energy transition and the REZ. As the region expands its capacity for renewable energy generation and transition, adaptive reuse of mining land presents a logical choice to support the decarbonisation of existing industries alongside the growth of emerging technologies such as green hydrogen and ammonia manufacturing. The Eraring Power Station also has capacity to accommodate freight and logistics land uses which continues to be an area of demand for land along the western side of Lake Macquarie.

iii. the compatibility of post-mining land sites with commercial projects,
iv. the potential of unlocking surrounding land for residential dwellings, amenities, environmental and educational facilities

Coal mining has been a dominant feature of the landscape across Lake Macquarie for more than 100 years. There are numerous examples where legacy mining sites have been adaptively reused for commercial opportunities, dwellings, amenities, environmental, and educational facilities. Examples include BlackRock Motor Resort on the former Rhondra Colliery in Wakefield, the Catherine Hill Bay estate on the site of the former Moonee Colliery, the residential estate on the site of the former Burwood No.3 Colliery in Whitebridge, the residential estate on the site of the former John Darling Colliery in Belmont North, and the Fernleigh Rail Trail located along the alignment of the Former Belmont Railway Line.

Where appropriately situated, post-mining land presents a unique opportunity to provide a range of well-located land uses, including commercial, residential, and community uses. The scale of various sites means that there is potential to deliver opportunities without unnecessary urban encroachment into areas of higher biodiversity. There is a strong need to strategically plan and provide the necessary capital funding for the implementation of essential supporting infrastructure. De-risking and incentivising alternative investment opportunities for mining landholders is a key driver in ensuring the reuse of mining land.

v. potential exploration of former and legacy mining sites with modern mining technology to explore deposits in tailings and closed sites

The quantum of viable and extractable mineral deposits in tailings and closed mine sites within Lake Macquarie is not well known to Council. However, Council would support exploration of potential sites where there is no appropriate alternative use of the site to deliver economic or social outcomes. Council's position is to support the reuse of mine sites that deliver that job creation and productive investment through the activation of new industries that provide similar, or higher value economic outcomes.

Lake Macquarie is home to the Eraring Power Station Fly Ash Dam, and the Vales Point Power Station Fly Ash Dam. These facilities cover significant land areas and contain considerable amounts of waste resources which may be reused into alternative products. The location of these dams, being adjacent to existing energy infrastructure, such as roads, rail lines, conveyor systems, and electricity lines, presents an opportunity to leverage strategic growth in new industries.

vi. the development of sites for use for advanced manufacturing, commercial and industrial use

Council periodically reviews the supply and demand characteristics of the City's land which could support advance manufacturing, commercial, and industrial uses. This is done to ensure that the City remains a competitive place for prospective industries to do business and to meet Council's objectives for the city to attract new businesses (or support existing businesses to expand) and ensure we have enough jobs to meet the needs of our growing population.

The latest internal review conducted in 2023 included a supply/demand gap forecast of industrial land. This analysis was based on employment growth forecasts, with the assumption that demand for industrial land increases commensurate to employment projections in specific industries demanding industrial floorspace.

The analysis found that under a baseline growth scenario, there is a projected near-term supply shortfall of approximately 31 hectares, increasing to 80 hectares of industrial zoned land by 2031. Existing supply of industrial land is factored into these estimations. There is a clear undersupply of development ready land that is not significantly constrained across the city. Post-mining land represents a significant opportunity to develop land for alternative uses without solely relying on greenfield development for future growth.

(e) how to ensure the benefit from innovative post mine land uses are shared between the community and mine operators

Council considers that genuine shared benefit from post-mine land uses can only be delivered if there is a fair and equitable distribution of positive and negative impacts associated with the whole-of-life of the mine. This must include investigating not only the land management and approvals framework, but also through considering the substantial and burdensome investment associated with establishing innovative post-mining land uses. There is a clear need to provide appropriate finances to support the adaptive reuse of mining land. Without it, mining landowners will struggle to realise the benefit of pursuing adaptive reuse as they have clear priorities to rehabilitate their sites.

Regarding available funding, the NSW Government's hallmark Royalties for Rejuvenation Fund aims to set aside at least \$25 million each year from mining royalties to support coal mining communities to transition their economies. However, funding under the program cannot be accessed until 2028–29, or until the fund reaches \$250 million. As of writing this submission, the NSW Government is undertaking consultation to establish the Future Jobs and Investment Authorities across four coal dominant regions, which would supersede Royalties for Rejuvenation. There remains no provision in the consultation paper on exhibition to change the amount of funding, or how it may be accessed. Mineral royalties are estimated to contribute \$13.3 billion to NSW general government sector revenue from 2024-25 to 2027-28. The \$250 million allocated to Royalties Rejuvenation for represents just 1.9 per cent of the total mineral royalties estimated take during that period. Given the enormity of the need to transition the workforce and the economy, Council considers this support to be inconsequential relative to the total economic benefit provided by the affected regions to the State.

Providing a mechanism for relinquishing or modifying rehabilitation responsibilities on mining sites may invariably increase land values. This is because new development opportunities associated with the land may arise. Without intervention, rising land values are typically attributed as benefit to the landholder. To ensure equity in outcomes for sites, there needs to be an appropriate mechanism established in the NSW planning framework to effectively capture excess value generate from land planning amendments. This mechanism may be compensatory and could effectively distribute excess value towards public betterment such as the funding of common use infrastructure, and social and affordable housing. An appropriate mechanism for achieving this could be through the implementation of a State Environmental Planning Policy.

Recommendation

- 6. *Increase the availability and accessibility of funds*** through programs such as Royalties for Rejuvenation, which support opportunities and projects to deliver innovative post-mining land uses.
 - 7. *Establish a mechanism to capture excess land value gains*** associated with an increase in the development potential of post-mining land. Such mechanism should be directly attributed toward public benefit.
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(f) the expectations of mining communities in relation to post-mine land use, and how to balance this with innovative reuse of existing infrastructure

The expectations of mining communities need to be reflected in a post-mining land use plan. Impact and risk assessment would be embedded within the objectives and directions of the plan and by providing opportunities for community engagement on the plans prior to Government endorsement. A Government-led approach needs to clearly articulate the balance of community needs and benefits associated with an alternative land use. For example, the housing and employment needs of a community, on balance, are so critical that that deviation from a long-held development consent is warranted.

The development of a State Environmental Planning Policy would include input on an Explanation of Intended Effect which identifies the non-negotiable social, economic, and environmental criteria the community deems acceptable for any new post-mining land use. These non-negotiable benefits must have direct positive impact on the communities in which the land use change is occurring. The State is in a unique position where innovative reuse of existing infrastructure can help shape the urban structure of new places and communities in a way that reduces the infrastructure cost burden. This would provide substantial direct benefit to mining communities on several levels.

It is critical to note that a new post-mine land use does not mean that rehabilitation commitments are entirely set aside, and the net environmental outcome can't be achieved. An offset scheme could be investigated to identify comparable or higher-value areas of biodiversity earmarked for greenfield urban investigation and dedicated in trust to the State in perpetuity. This is an area of policy Council would be happy to contribute to and believes these disturbed sites provide a unique opportunity to deliver significant environmental outcomes.

Recommendation

- 8. *Embed mandatory minimum engagement requirement with mining communities in the preparation of any new framework*** to capture community expectations in the objectives and directions of the recommended SEPP and post-mining land use plan.
- 9. *Investigate the potential to establish an offset scheme with identified greenfield areas*** of comparable or higher biodiversity value.

(g) the need to develop a robust independent regulatory framework to maintain and advance best practice in this area, and

The fundamental of any future independent regulatory framework is that it is Government-led. Many of the core constraints that need to be addressed include:

- mining tenement obligations to rehabilitate sites, including rectification works after closure, remain with the last active miner even after the land is transferred to a new landowner,
- post-mining land use approvals under separate Act (EP&A Act) often require tens of millions of dollars and years of work to achieve sign-off through ESF2 – Rehabilitation completion process,
- bonds remain held by NSW Resources Regulator until the approved post-mining land use is successfully achieved and signed off.

The above framework promotes compliance-orientated action and a risk aversion that reduces the appetite for innovation in post-mining land use and quells investment attraction. The core features of a government-led framework should:

- address concerns (community, industry, and government) about community safety and varying or deferring mining tenement obligations which gives the mining and energy generating industries confidence to consider alternative land uses,
- enable the transfer of rehabilitation obligations to either the State or subsequent landowner (relinquishment may be suitable in exceptional circumstances),
- embed a “timeliness” mechanism tying any post-mining land use to agreed milestone dates for variation, deferral, transfer, or relinquishment of rehabilitation requirements,
- delivers balanced cultural, economic, environmental, and social outcomes which deliver the best possible outcomes based on locational characteristics including geography, demographics, and markets, and
- embed a value capture mechanism that ensures mining communities are key beneficiaries of any new post-mining land use with the capacity to retain local employment, remain in place and enjoy improved amenity and facilities.

The legislation should be designed to streamline the mining tenement obligation and land use planning process, potentially under the guidance of a singular overseeing body, like a Future Jobs and Investment Authority. This will ensure the significant net benefits of alternative land uses are delivered in a manner that ensure the safety and ongoing prosperity of our communities is protected and enhanced.

Recommendations

10. ***Establish a government-led regulatory framework*** which addresses community safety and benefit, industry commitments to rehabilitation obligations, promotes innovation in land use planning, attracts investment and delivery cultural, economic, environmental, and social benefits to the community.
11. ***Establish a Future Job and Investment Authority*** to engage with mining communities, industry, and other stakeholders to prepare a State Environmental Planning Policy for post-mining land use.

(h) any other related matters.

While the Inquiry focuses specifically on the opportunities associated with post-mining land use, Council is concerned about what the transition of land and economies means for social and community outcomes in affected regions. This is because the mining industry in NSW is strongly intertwined with the social and cultural fabric of the community. The industry and their workers live in the regions, they engage in community life, and they contribute significantly to social outcomes in range of ways not only limited to economic or investment outcomes. The social and cultural changes implicated in mines ceasing to operate, and the broader transitioning of the economy are considered to not be well integrated within the post-mining land use discussion.

Recommendation

12. ***Embed social impact identification, evaluation, and mitigation in mine closure planning, and any proposals for the adaptive reuse of sites.*** In this regard, opportunities for innovative and adaptive reuse must not be considered in isolation, but must also account for the cumulative, structural changes occurring within affected regions.

