



issues backgrounder

May 2010

NSW Parliamentary Library

Coal Mining in NSW

Background information

Coal is NSW's largest export. The value of coal exports rose from \$3,853 million in 2002-03 to \$12,898 million in 2008-09, whereas the next largest export (aluminium) was worth \$2,058 million in 2008-09. The largest importers of NSW coal are Japan (54.5%), the Republic of Korea (16.5%), Taiwan (12%) and China (4.7%).¹ Coal mining generated \$1,226 million in State royalties in 2008-09.²

Coal mining is mainly concentrated in the Sydney-Gunnedah Basin within the State's five coalfields: Hunter; Newcastle; Gunnedah; Western; and Southern. A further two mines are located within the Gloucester Basin north of Newcastle. A mine has also recently been proposed for the Oaklands Basin southwest of Wagga Wagga. 15,387 people were employed in the coal mining industry in June 2008.³ The degree to which this industry stands to be affected by the Commonwealth Government's recently announced [Resource Super Profits tax](#) is a matter of current debate.

Coal mining in NSW is regulated by the [Environmental Planning & Assessment Act 1979](#) (NSW) and the [Mining Act 1992](#) (NSW). Two environmental planning instruments under the *Environmental Planning & Assessment Act 1979* (NSW) apply to coal mining: the [State Environmental Planning Policy \(Major Development\) 2005](#); and the [State Environmental Planning Policy \(Mining, Petroleum Production and Extractive Industries\) 2007](#). These instruments regulate the impact of coal mining on such matters as: Aboriginal culture and heritage; noise levels; air quality; water quality; and groundwater. Nonetheless, negative environmental and health impacts from coal mining remain important issues in the public debate.⁴

This Issues Backgrounder contains links to material on issues and debates relevant to coal mining in NSW. It should be read in conjunction with the following Research Service papers: [Mining and the Environment](#); and [Mining and the Economy](#).

¹ NSW Minerals Council, 2009. [Key Industry Statistics 2009](#).

² Department of Primary Industries, 2009. [Annual Report 2008-09](#).

³ Department of Primary Industries, 2009. New South Wales Coal Industry Profile 2009.

⁴ See for eg. SMH, [Counting the cost of the new black magic bonanza](#), 17 March 2010; SMH, [Life in the shadow of coal central](#), 19 March 2010; and St George & Sutherland Shire Leader, [River system under threat](#), 4 March 2010.

Parliamentary Material

NSW legislation

Coal mining is regulated by the following legislation:

[Environmental Planning & Assessment Act 1979](#);

[Mining Act 1992](#); and

[Mining Amendment Act 2008](#).

A Public Consultation Draft of the [Mining Regulation 2010](#) has recently been released. This is intended to replace the [Mining Regulation 2003](#) under the [Mining Act 1992](#).

On 31 December 2008, a Ministerial [Determination](#) was made under section 283(5) of the [Mining Act 1992](#) to alter the ad valorem coal royalty rates.

Two environmental planning instruments under the [Environmental Planning & Assessment Act 1979](#) apply to coal mining:

[State Environmental Planning Policy \(Major Development\) 2005](#); and

[State Environmental Planning Policy \(Mining, Petroleum Production and Extractive Industries\) 2007](#).

Other legislation relevant to coal mining includes:

[Coal Industry Act 2001](#);

[Coal Industry \(Joint Coal Board Employees' Superannuation\) Transitional Regulation 2002](#);

[Coal Mine Health and Safety Act 2002](#);

[Coal Mine Health and Safety Regulation 2006](#);

[Coal Mine Health and Safety Amendment Act 2010](#);

[Mine Health and Safety Act 2004](#);

[Mine Safety \(Cost Recovery\) Act 2005](#);

[Mine Subsidence Compensation Act 1961](#); and

[Mining and Petroleum Legislation Amendment \(Land Access\) Bill 2010](#).

The [Report on the Statutory Review of the Coal Mine Health and Safety Act 2002](#) was tabled in Parliament on 1 September 2009.

The [Coal Acquisition Repeal Act 2007](#) will repeal the following legislation, and will itself be repealed once all its provisions have come into effect: the [Coal Acquisition Act 1981](#); the [Coal Acquisition \(Compensation\) Arrangements 1985](#); the [Coal Acquisition \(Re-acquisition Arrangements\) Order 1997](#); the [Coal Ownership \(Restitution\) Act 1990](#); and the [Coal Ownership \(Restitution\) Regulation 2005](#).

NSW parliamentary inquiries into coal

[Hunter Economic Zone and the Tomalpin Woodlands](#)

Legislative Council General Purpose Standing Committee No. 5
December 2004

Commonwealth parliamentary inquiries into coal

[The impacts of mining in the Murray Darling Basin](#)

Senate Standing Committee on Environment, Communications and the Arts
December 2009

[Select Committee on Climate Policy](#)

Senate Select Committee on Climate Policy
June 2009

[The CPRS: Economic cost without environmental benefit \(Interim Report\)](#)

Senate Select Committee on Fuel and Energy
May 2009

Government publications

NSW

Department of Planning

The [Department of Planning](#) lists determinations regarding coal mines made under Parts 3A, 4 and 5 of the *Environmental Planning & Assessment Act 1979* on its website [here](#).

A list of Major Coal Project Assessments can be found [here](#).

A [Notice of public meeting](#) for the 'Independent Review of Cumulative Impacts: Camberwell Village' was released on 18 December 2008.

[Impacts of Potential Underground Coal Mining in the Wyong Local Government Area: Strategic Review](#) (July 2008). Associated information and stakeholder submissions can be found [here](#).

[Impacts of Underground Coal Mining on Natural Features in the Southern Coalfield: Strategic Review](#) (July 2008). Associated information and stakeholder submissions can be found [here](#).

[Coal Mining Potential in the Upper Hunter Valley – Strategic Assessment](#) (December 2005)

Planning Assessment Commission

The Minister for Planning referred the following three projects to the [Planning Assessment Commission](#) for assessment:

[Bulli Seam Coal Project](#) determination (In progress)

Bickham Coal Project [report](#) and [submissions](#) (May 2010)

Metropolitan Coal Project [report](#) and [submissions](#) (May 2009)

Industry & Investment

A [map](#) of NSW coalfields is maintained by [Industry & Investment](#).

[The Contribution of Primary Industries to the NSW Economy: Key Data 2010](#) (April 2010)

[Coal Mine Safety Audit Report: Mine Safety Operations February 2010](#)

All holders of mining leases proposing to undertake underground coal mining are required to prepare a [Subsidence Management Plan](#). The NSW Government policy that regulates these plans is the [New Approval Process For Management of Coal Mining Subsidence Policy](#) (2003). The [Department of Primary Industries](#) also released a fact sheet on [Mine Subsidence](#) in February 2006.

The [Department of Primary Industries](#) (a part of Industry & Investment) has a number of [policies and guidelines](#) to regulate the environmental impacts of mining.

New South Wales Coal Industry Profile 2009 (available from the Parliamentary Library)

This [page](#) outlines the coal royalty rates charged by the NSW Government.

Mine Subsidence Board

[Mine Subsidence: A Community Guide](#) (no date)

Coal Services Pty Ltd

[Coal Services Pty Ltd](#) delivers the following services to the NSW coal mining industry: occupational health & safety; workers compensation; welfare; and mines rescue.

Commonwealth

Australian Bureau of Agricultural and Resource Economics (ABARE)

[Energy in Australia 2010](#) (April 2010)

[Australian mineral statistics 2010: December quarter 2009](#)

Australian Bureau of Statistics (ABS)

[Mineral and Petroleum Exploration, Australia – Catalogue 8412.0](#) (Dec 2009)

[Mining Operations, Australia – Catalogue 8415.0](#) (2006-07)

Department of the Environment, Water, Heritage and the Arts (DEWHA)

DEWHA maintains the [National Pollutant Inventory](#). The coal mining industry is required to monitor, measure and report their emissions under the [National Environment Protection Measures \(Implementation\) Act 1998](#) and the [National Environment Protection \(National Pollutant Inventory\) Measure 1998](#). The most recent [Summary Report](#) available was released in 2009. DEWHA also maintains a searchable online [database](#) of all emissions released by coal mining.

Journal articles

[Energy and minerals overview, Thermal Coal](#)

Rebecca Petchey; Australian Commodities
December 2009

[Thermal Coal: Outlook to 2013-14](#)

Kate Penney and Robert New; Australian Commodities
March 2009

[Mines, Wines and Thoroughbreds: Towards regional sustainability in the Upper Hunter, Australia](#)

Phil McManus; Regional Studies
November 2008

[Regulating greenhouse gas emissions from Australian coal mines](#)

Chris McGrath; Environmental and Planning Law Journal
July 2008

[Coal under fire](#)

Tim Weldon; Stateneews
June/July 2008

[Watercourses and discourses: coalmining in the upper Hunter Valley, New South Wales](#)

Linda Connor, Nick Higginbotham, Sonia Freeman and Glenn Albrecht; Oceania
March 2008

[Emissions trading, offsets and other mitigation options for the Australian coal industry](#)

Nicola Durrant; Environmental and Planning Law Journal
September 2007

[Management of longwall coal mining impacts in Sydney's southern drinking water catchments](#)

M. Krogh; Australasian Journal of Environmental Management
September 2007

[Beyond coal: towards a Just Transition to sustainability in the Hunter Valley coalfields](#)

Geoff Evans; Chain Reaction
March 2007

Reports

[Coal and the Commonwealth: The Greatness of an Australian Resource](#)

Peter Knights and Michael Hood (eds); The University of Queensland
October 2009

[Key Industry Statistics 2009](#)

NSW Minerals Council
2009

[Coal mining^a: Managing the cumulative impacts of multiple mines on regional communities and environments in Australia](#)

Daniel Franks, David Brereton, Chris Moran; International Association for Impact Assessment, Assessing and Managing Cumulative Environmental Effects Special Topic Meeting, Calgary, Canada
6-9 November 2008

[Assessing the cumulative impacts of mining on regional communities: an exploratory study of coal mining in the Muswellbrook area of NSW](#)

David Brereton, Chris Moran, Gillian McIlwain, James McIntosh, Kailee Parkinson; Centre for Social Responsibility in Mining, Centre for Water in the Minerals Industry; Australian Coal Association Research Program
February 2008

Media coverage

[Chronic disease risk higher in Hunter Valley: report](#), 22 May 2010, SMH

[Coal deal could run out of time](#), 21 May 2010, Australian Financial Review

[Coal down below: how rich is his valley](#), 20 May 2010, SMH

[Coal profit payback fair for public purse](#), 20 May 2010, Newcastle Herald

[NSW Treasurer joins push to alter profits hit](#), 20 May 2010, The Australian

[Call to release health report](#), 19 May 2010, Newcastle Herald

[Super profit tax will hurt Hunter economy](#), 18 May 2010, Newcastle Herald

[Coal mine risks town dam water](#), 18 May 2010, The Daily Telegraph

[Decision on Bickham saves a river system](#), 15 May 2010, Newcastle Herald

To update newspaper articles, click onto our [dynamic link](#).

Press releases

NSW

NSW Government press releases:

[NSW Government protects multi-billion dollar NSW thoroughbred industry – stops coal mine in Upper Hunter](#) (May 2010)

[NSW mining royalties – no increase in June budget](#) (May 2010)

[Landmark Coal Mine Safety Report released](#) (May 2010)

[Major investment planned for Illawarra coal mines](#) (February 2010)

NSW Opposition press releases:

[Minister provides little assurance as to mining on the Liverpool Plains](#) (March 2010)

[Nothing new in Ian McDonald's Caroon announcement: Gay](#) (September 2009)

[NSW Nats will strike a balance on mining, agriculture and community: Humphries](#) (August 2009)

NSW Greens press releases:

[Newcastle's Third Coal Terminal rips off environment and workers](#) (May 2010)

[Gardens of Stone mining damage repeated across NSW](#) (April 2010)

[Govt rejects Greens motion for full Upper Hunter health study](#) (April 2010)

NSW Independents press releases:

[Caroon blockade lifted, but legislation to protect the environment and farmers property rights is now needed](#) (Peter Draper MP; March 2010)

[Minister's answer augurs well](#) (Greg Piper MP; December 2009)

Commonwealth

Commonwealth Government press releases:

[Public comment invited on Bulli Mine expansion](#) (April 2010)

[Coal merger strengthens trade with China](#) (January 2010)

Advocacy/Interest Groups

Community groups

[Caroon Coal Action Group](#)

[Liverpool Plains Land Management Inc](#)

Conservation and environment groups, and non-government organisations

[Australian Conservation Foundation](#)

[Environmental Defender's Office NSW](#)

[Nature Conservation Council of NSW](#)

[Total Environment Centre](#)

[World Wide Fund for Nature Australia](#)

Local Government and NSW Government

[Association of Mining Related Councils](#)
[Namoi Catchment Management Authority](#)

Coal mining interest groups

[The Australasian Institute of Mining and Metallurgy](#)
[Australian Coal Association](#)
[Australian Coal Association Research Program](#)
[Construction Forestry Mining and Energy Union](#)
[NewGenCoal](#)
[NSW Minerals Council](#)
[Minerals Council of Australia](#)

Coal mining companies

A [Register of Operators of Coal Operations](#) (March 2010) is maintained by Industry & Investment NSW.

The Coal Mining [website](#) lists companies involved in coal mining.

Science and Research

[Cooperative Research Centre for Coal in Sustainable Development](#)
[CRCMining Australia](#)

Relevant Research Service Publications on coal

[Mining and the Economy](#) (2010);

[Mining and the Environment](#) (2009).

Last updated: 28 May 2010

For further information please contact the Library on 9230 2382

Issues Backgrounders are prepared by the NSW Parliamentary Library for Members of Parliament on Bills or subjects of topical importance.

This Issues Backgrounder provides links to parliamentary material, journal articles, media articles and interest group web sites to provide Members with detailed information relating to matters under consideration by the NSW Parliament. Although every attempt is made to ensure that the information provided is correct at the time of publication, no guarantee can be made as to its ongoing relevancy or accuracy. This Issues Backgrounder should not be considered a comprehensive guide to this particular subject and is only a representative sample of the information available. This Issues Backgrounder does not constitute a professional legal opinion.