ENCLOSURE

ASSOCIATION OF MINING RELATED COUNCILS INC

Minutes of Executive Committee Meeting 31 August 2007

Submission from the Association of Mining Related Councils Inc to the Wyong Strategic Inquiry Panel

Minutes of Executive Committee Meeting 9 November 2007

Ordinary Meeting of Council

12 DECEMBER 2007

ATTENDANCE

Cr Tony Jones, Chairman Cr John Davis, Deputy Chairman Cr Alan Tucker, Deputy Chairman Mr Bill O'Neil Cr Peter Veenstra Mr Dominic Bruszewski Cr Fred Borg Mr Ian Curtis Mr Terry Kavanagh Cr Geoff Slack Mr Glenn Wilcox Cr Colleen Fuller Cr Neville Castle Cr Wayne McAndrew Cr Richard Anderson Mr Neil McGarry Cr Esme Martens Cr Percy Thompson Cr Jennifer Lecky Cr Stephen Thatcher Cr Ken Bates Cr Keith Parsons Cr Mary Robinson Cr Geoff Sharrock **Cr Peter Hodges** Cr Norman Jew Cr Tony Kent Mrs Margaret MacDonald-Hill Ms Rachel Young

APOLOGIES

Cr David Bolte Cr Howard Mangelsdorf Cr Ted Wilson Mr Andrew Roach Mr Greg Cooper Cr Eva Campbell Mr Eric Groth **Gunnedah Shire Council** Orange City Council Broken Hill City Council Honorary Life Member Cabonne Shire Council Camden Council Campbelltown City Council Campbelltown City Council **Dungog Shire Council** Gloucester Shire Council Gloucester Shire Council Gunnedah Shire Council Lithgow City Council Lithgow City Council **Liverpool Plains Shire Council Liverpool Plains Shire Council** Mid Western Regional Council Mid Western Regional Council Muswellbrook Shire Council Muswellbrook Shire Council Narrabri Shire Council Newcastle City Council Singleton Shire Council Singleton Shire Council Upper Hunter Shire Council Wollondilly Shire Council Wollongong City Council Executive Officer CENTROC

Bland Shire Council Bland Shire Council Blayney Shire Council Blayney Shire Council Cabonne Shire Council Camden Council Gunnedah Shire Council

APOLOGIES (continued)

Cr Dennis Brady Cr Terry Brady Mr Paul Anderson Mr Bob Stewart Cr George Sevil Mr Max Kershaw Cr Marilyn Eade Cr Robert Wilson Mr Alan McCormack Mr Steve McGrath Cr Michael Banasik Cr Zeki Esen Cr Bob Graham Mr Mike Long Lachlan Shire Council Lachlan Shire Council Lithgow City Council Liverpool Plains Shire Council Narrabri Shire Council Narrabri Shire Council Newcastle City Council Parkes Shire Council Parkes Shire Council Singleton Shire Council Wollondilly Shire Council Wollongong City Council Wyong Shire Council Wyong Shire Council

1 WELCOME

The Chairman noted that everyone was present and declared the meeting open early at 9.55am. He then handed over to the Mayor of Mid Western Regional Council, Councillor Percy Thompson, to perform the welcome to Mudgee.

Councillor Thompson welcomed everyone to what he called "this splendid part of the earth". Mid Western Regional Council covers an area of 9,000 square kilometres and is surrounded by the adjoining shires of Lithgow, Muswellbrook, Liverpool Plains, Wellington and the Warrumbungles. It is a huge area and takes in part of what was Merriwa and Rylstone Shires. Councillor Esme Martens lives at Running Stream, near Rylstone and the Mayor lives close to town. The Mayor advised that the Centroc meeting was held at Mudgee yesterday. He stated that it is a very good council and in a good financial position, with everyone working well together. Coal, shale and limestone were discovered in the region by the early prospectors and the Kandos area still produces cement. Nearby Rylstone has many old, historic, stone buildings. He went on to say that Mudgee has the famous Wollemi pine in the shire, even though the Mayor of Lithgow claims it is in his. The Cudgegong River runs right through the shire and you can cross the river five times as you travel. The Council was named Mid Western Regional Council and the Minister for Local Government at that time, Kerry Hickey, would not allow the Council to have a poll to decide the name. Council voted to change the name to Cudgegong. It only became Mudgee a few years back and he thought Cudgegong was more appropriate. The Mayor said we are famous for our town. We have the finest wool in the world at 14 microns. He said he was a shearer and only had one worry when he was shearing and that was to sing to supplement his income. He and his family were living in a housing commission house at the time. Gulgong is the most famous town in Australia. It is the only town to be put on a major money note. It also houses the Pioneers museum with a good collection of history. Henry Lawson was reared out at Eurunderee. He would get on the grog when he was going to write a good poem. In closing Mayor Thompson wished everyone an enjoyable visit to his town.

2 APOLOGIES

The tendered apologies were accepted.

3 **DISCLOSURE OF PECUNIARY OR CONFLICT OF INTEREST** There were no disclosures of pecuniary or conflict of interest made at the meeting.

4 THE MINUTES OF THE MAY 11 2007 MID YEAR GENERAL MEETING WERE CONFIRMED.

5 BUSINESS ARISING

a Maldon-Dombarton Railway line

Councillor Norman Jew from Wollondilly advised that his General Manager was preparing a position paper on the Maldon-Dombarton Railway line. It was on the Shire's wish list in the last State election.

Chairman Tony Jones asked if the figures stacked up to justify the link. He understood the main concern was getting the trucks off the local roads. Councillor Wayne McAndrew from Lithgow stated that it was an important issue as well for Lithgow and asked Councillor Jew if he would be able to get a copy of the position paper for his Council.

Councillor Fred Borg from Campbelltown advised that there are 1,576 trucks daily, many B doubles, leaving the Minto area, where there are several batching plants. He asked if Wollondilly had consulted with Campbelltown Council because he believed they would be able to assist. Councillor Borg indicated that there is a \$70 million proposal for a malt batching plant in Campbelltown and posed the question on how will it arrive there, by rail or truck?

b Mine Subsidence Levy contributions

The Chairman referred to the additional information provided on the mine subsidence levy contributions and noted in response to the query raised by Lithgow, apart from being based on royalty tonnes and land value of each colliery, it also takes into consideration existing and potential claims, the Board's operational costs and services. He also pointed out that the levy is on all coal mines operating in New South Wales, including open cut.

Councillor Borg said the information would indicate that there is a higher levy on areas with greater mine subsidence.

The Mayor of Lithgow, Councillor Neville Castle, stated the point that Lithgow was making was that there is no consistency, which appears to be the case.

c Mine survey

The Chairman indicated that the survey information Councillor Esme Martens from Mid Western Regional Council had mentioned at the May meeting, had only been received in the last two days.

Councillor Martens apologised for the delay and confirmed she was only provided with a copy of the survey herself last Friday. To refresh the meeting, at the Narrabri meeting, she had brought up the visit to her council by the Grants Commission. Mid Western had raised the disability component with major mines proposed for the area. The Grants Commission response was that it could not be considered as it does not have any comparative data.

The Chairman suggested that a copy of the survey be sent out to all members to vet. There were some very good questions and the points raised by Councillor Martens could bring back a good response. It could be listed as an agenda item at the November meeting. Councillor Stephen Thatcher from Muswellbrook confirmed that his council had a similar request. Deputy Chairman John Davis said this is something that is a major item as it affects us all, at each council. This is high priority because it is how we get our funding. The issue is much bigger than the Association.

Resolved:

That the information survey be sent to all councils for response.

d The Chairman advised that following the address to Cessnock in May, Cessnock would join next financial year, as there was no budget allocation at present.

6 BROKEN HILL MINE RATING

Deputy Chairman Alan Tucker confirmed that the increased values undertaken by the Valuer General were definitely a bonus. The Council had lost a lot of money when the mines closed between 1994 and 2000. This recent assessment had almost happened by accident as the ore was found when the mine was putting in the decline. He had asked the question at a previous meeting of the Association of when does mining start and the Executive Officer had followed up with the Valuer General. As a result of information from the Association, the Valuer General is now taking a closer look out here and elsewhere. He will be sending a representative to the Broken Hill Conference. This is only one mine and we are keeping a close look from here on. It means \$500,000 in mine rates for Broken Hill. The Chairman agreed that the mine should pay their fair share. The Deputy Chairman said this came to a head when John Davis was Chair. People take up these properties and leaseholds and don't pay their rates.

Bill O'Neill added that at the last meeting at Broken Hill, Professor Ian Plimer took the Association members over the Kintore Pit. At that time the price of lead was so low. Perilya took over from Pasminco and would have had to do the rehabilitation, now they are mining back into the North Mine. The South Mine will go underneath the town and Potosi is open cut. As long as the prices stay high, the town is booming. The price of houses in Broken Hill has more than doubled, you can't even buy a house in town now. There is uranium at Honeymoon (across the border). It is a boom and bust cycle.

Councillor Ken Bates cautioned people on the valuation side of things. He felt that everyone should be careful of private valuers and valuation mining reports. Councillor Tucker was grateful for the Association's involvement with the Valuer General as he felt no-one was doing anything previously to get a proper value of the metal mines. Deputy Chairman John Davis, the Mayor of Orange, said that was what being a member of the Association was all about, the individual councils did not have the expertise. We all wanted the employment the mine would bring, then they attack you on the valuation. The Cadia Mine had a thirteen year life and there was \$200,000 for the first year. As soon as it starts up, they take you to the Valuer General in dispute. You have to make sure you get a fair share. Cadia has 10,000 acres, the largest landholder in the shire. They claim their buffer zones are not part of the mining operation, but they have to have them to be able to mine. You can't just take their word for it. We have to be vigilant. As Councillor Bates stated, you get people going out being private valuers, we do need to be careful. Look at the share market. You can't have it both ways but you can negotiate very nicely.

Councillor Jennifer Lecky from Muswellbrook said Bengalla has a value of \$5million and yet they paid \$14 million for a dairy farm. Councillor Peter Veenstra from Cabonne said with Cadia and Ridgeway, we are talking 40 years of mining. This is a very long term project and we need to make sure we monitor it all the way. The Chairman agreed that what is an extra \$350 in rates when you look at the dollars spent in production.

Resolved:

- 1 That the information be noted,
- 2 That the Deputy Chairman and Broken Hill Council be thanked for providing an accurate and concise example to be taken up with the Valuer General,
- 3 That Councils remain vigilant in bringing such matters to the attention of the Association.

7 COMMUNITY CONSULTATIVE COMMITTEE GUIDELINES

The Chairman believed the Department of Planning's guidelines for Community Consultative Committees were much improved from the original version and were aimed at all new mines. Councillor Jew said the BHP committee in his area had a new Chair and there was a vast improvement in the way it is being managed. He thanked the Executive Officer and the Association for assisting and getting it back on track.

Councillor Mary Robinson repeated her disapproval of the guidelines and stated that a staff member should be included from council as well. She wanted to know who pays the chair, as she believed there was a vested interest in the reference to an 'independent' chairperson. The Executive Officer said there was no reason that a staff member could not be on the committee, or for that matter, a councillor as the chair. The mining company would ultimately pay for the cost of the chair. Councillor Bates raised his concern with the term 'independent chair'. He believes the chair should be from the Local Government area. The Executive Officer reiterated that there is nothing to stop that from being the case. They are only guidelines and a genuine attempt to bring uniformity and transparency to all committees. This is how it should be. The Chairman agreed that he could see where the Government is coming from.

Councillor Colleen Fuller from Gunnedah said with the Caroona Committee, the former Minister Gary West was the independent chair and he held the meeting together. She understood the need for someone independent. Councillor Borg queried who makes up this committee? The Chairman said it was spelt out quite clearly in the guidelines. The Caroona Committee took in three areas, Gunnedah, Liverpool Plains and Narrabri and representatives from each council were on the committee. The committee was appointed by the Director General along with the Chairperson, who must have the ability to run a meeting.

Councillor Robinson reiterated that her Council and all other councils have a Code of Conduct and know how to operate a meeting. She saw no need for the State Government to be involved. Councillor Castle pointed out that a Code of Conduct in relation to consultative committees is only binding on the council and not a company or community representatives. Councillor Thompson agreed with Councillor Robinson and stated we all can chair a meeting and he did not see why we should waste our money to bring in someone from outside the area. Councillor Lecky said Milton Morris had chaired the Anvil Hill meeting for six years and a lot of time was wasted rehashing the same issues. She found the advantage with mining rather than disadvantages. The Chairman asked if it would have worked even better with a councillor? Councillor Lecky replied that Bengalla had worked well.

Councillor Jew spoke in support of the guidelines. We have the right to choose, if we have a dysfunctional committee, to call it to order. We might need an independent person to step in and bring an independent chair. I would be going to the Government if it did not work. It would be very difficult to set down these rules and therefore we must take these guidelines and we utilise what is good. As far as a councillor being an independent chair, how could I be independent as the chairperson, when I am so passionate in my beliefs?

Councillor Geoff Sharrock from Singleton said he believed the guidelines were a good step forward. Singleton has fifteen existing committees. Does it need to adopt these guidelines or is it optional? The Executive Officer replied that the guidelines apply to all new mines. Those already in existence can adopt in principle if they wish. Councillor Veenstra advised that Cadia was set up almost exactly as what was in these guidelines and it works very well.

Councillor Peter Hodges from Upper Hunter Shire drew the meeting's attention to Page 6, the last paragraph, if there are concerns about a chairperson's conduct by three or more members of a committee, it can be referred to the Director General with a view to making a new appointment if necessary.

Councillor Borg asked how are these committees appointed? The Executive Officer pointed out that there is a distinction between the Department of Planning and the Department of Primary Industries consultative committees, in that sunset committees are established by the Minister for Primary Industries during the exploration phase. If a development application is approved, then that committee will terminate. It is usually the case with any consent of new mines that a consultative committee be established and members of these committees must be approved by the Director General of Planning.

Deputy Chairman Davis said Gary West would be very acceptable to anyone in this area. He is very fair and reasonable and has a background that stacks up. The Chairman concluded the discussion and requested if anyone had a problem, to let the Association know.

Resolved:

That the information be noted.

8 RIVERS SOS DVD

The latest Rivers SOS DVD, "Rivers of Shame and the Coal Rush", was shown to the meeting. Considerable debate ensued. Deputy Chairman Davis said it portrays a very opposite side. Councillor Wayne McAndrew from Lithgow, stated there needs to be responses from the mines, particularly Xstrata in relation to the statements on water usage. He knew Ulan produced its own water. It is a very wet mine and utilised its surplus for irrigation. Councillor Borg agreed that there are two sides to the argument. The Chairman indicated he would like to see something from the opposite side, whilst acknowledging that we have to take into consideration that there are a lot of serious concerns out there. What has been the cost of the Ulan Mine? Some mines can very carefully mine in sensitive areas and not cause environmental damage. Councillor Borg asked what is the benefit of doing that? We are talking about the pros and cons. Are we going to bring the opposite side and be the adjudicator? The Chairman replied that he was looking for a balanced view.

Councillor Sharrock referred to the inspection of the Wilpinjong Mine yesterday and the recycling of water, with no release off site. He often heard people referring to the mining industry in the Hunter saying that the mines were taking all the water from the Hunter River, when in fact it was actually only 5%. Mayor Thompson agreed and mentioned Xstrata's utilisation of water for Ulan's Bobadeen Irrigation Scheme Councillor McAndrew said he had been thirty three years in the industry and believes the controls on mining are a lot harder now than ever before. He felt the Association was being asked to play a role it should not be involved in. This is for the Government and other organisations. The statements in the DVD are not correct, Ulan produces its own water.

The Chairman stated that the mines in the Gunnedah Basin are wet mines also and produce a megalitre per day. Councillor McAndrew continued that the Clarence Colliery in Lithgow is providing drinking water supplied to the town. Deputy Chairman Tucker pointed out that there is truth in the DVD though. What about BHP and Marhneys Hole? We inspected that and saw what had happened.

Councillor Jew said a lot of this is in my backyard. If it wasn't for pressure from the community, there would not have been any change. BHP had actually sterilised 50% of their coal by stepping back from the river. At the Twin Bridges at Pheasants Nest, the RTA is working in preparation for mining in proximity to the bridges. One of the bridges has a sway in it. They are jacking up this bridge and replacing the joints for the mining 1.1km away so it won't be impacted. In many cases damage caused from mining is irreparable.

Councillor Keith Parsons from Newcastle acknowledged that there may be some concerns, but he did not believe the Association should fund the production of a new DVD. However, he stated that he would like to see some statement from the Association, acknowledging concern. He wanted to see people with technical understanding or knowledge comment and forward their information to the Executive Officer. He felt that some statement should be made rather than merely that the information was 'noted'.

Councillor Peter Hodges from Liverpool Plains said he had been fourteen years in the industry at three mines. He becomes annoyed at the arrogance of some of the mines and referred to the price of a bottle of mineral water compared to a tonne of coal at \$12. He had seen a dramatic improvement from the industry over the years. We cannot support this request as we won't have any control over it. They should be lobbying the Government for this. He acknowledged that we have to take into consideration the communities concerns though. If they ruin the water, then it is too late.

The Executive Officer said that this group and the other aligned groups were lobbying for a mandated one kilometre buffer zone around all rivers. That would effectively eliminate mining in the Southern Coalfield. She did not believe that it should be a 'one size fits all' but rather judge each case on its merit.

Councillor Borg advised that his Council had considered a distance of one kilometre buffer away from rivers. He agreed with the points raised by the Executive Officer. He said let the mines reply to this.

Councillor McAndrew advised that the Total Environment Centre is funded by the State Government. This DVD has been professionally put together and there is a lot of exaggeration in it. The mines in the Southern region have stepped back from the rivers in some instances. If we have large river sources, of course there should be constraints. A 1 kilometre buffer would cost thousands and thousands of jobs and put people out of work. There needs to be a balanced debate here. To stop mining at that 1 kilometre would effectively close down the entire southern coalfields.

Deputy Chairman Davis said this does not need to be swept under the carpet. I think we should have a discussion. We have a charter and it should be horses for courses. However, he did not support providing any money to Rivers SOS as we would not have any control over the situation.

Councillor Parsons stated we should be doing something more than just noting this. The Total Environment Centre does receive some Government funding, but it does also have other funding. Have they written to the Total Environment Centre for support? Councillor Borg enquired if other member councils had rejected the request for funding. Councillor Parsons said even if that is the case, as an organisation, we still need to express our concerns. Councillor McAndrew said expert advice is required. Councillor Fuller said the request for funding had been rejected at Gunnedah.

Resolved:

- 1 That the information be noted
- 2 That further information be sought from the mines and local councils shown in the DVD.

9 RESEARCH INTO PUBLIC PERCEPTIONS ON POWER GENERATION AND CLIMATE CHANGE

Referring to the research undertaken by the CSIRO and Centre for Low Emission Technology the Chairman said this is another one we could spend a lot of time on. He suggested that both this and the Rivers SOS could be discussed at length at the November Annual General Meeting. As the November meeting was the election of office bearers, it would provide the time to allow adequate discussion.

Councillor Lecky volunteered that Meredith Lang has done some work on this and would be able to provide some valuable information. Councillor McAndrew said climate change is a huge issue. The Chairman said we could start the meeting early, at 9am. We are an advisory group to the Government and we could make a statement. Councillor Fuller said the agenda item should be on climate change rather than the Rivers SOS DVD. This is something people will support.

Recommendation:

That the information be noted and further discussed at the November Annual General Meeting.

10 STATISTICS

There was no discussion on the information sourced from the Australian Coal Association.

Resolved:

That the information be noted

11 UPDATES

a Gloucester Mining Forum

The Chairman and Executive Officer would attend the mining forum at Gloucester next month. The Chairman said the outcomes of both the Campbelltown and Wollondilly forum was well worthwhile. The community groups were coming to the Gloucester forum and he would bring a report back to the Association.

b Broken Hill Mining and Exploration Conference

The Chairman confirmed that the Executive Officer would be speaking at this conference, along with Deputy Chairman Tucker. Copies of the program were distributed and even though the registration cost was quite high, the Executive Officer would negotiate with the convenors for anyone interested in attending.

c Specialty Coal

The Chairman reiterated the then Minister for Mineral Resources, Kerry Hickey's stand against this proposal.

d Submissions

The Association has lodged submissions for the Inquiries into the NSW Southern Coalfield and Wyong and commented on the Review of the Subsidence Management Plan process and the Draft Mine Subsidence Compensation Regulation 2007 and Regulatory Impact Statement (copy enclosed).

e Coal Dust

The Chairman said the Queensland report into the impact of coal dust from trains operating in close proximity to communities would be a very interesting one for the Association to follow up when the interim report is released.

f Cancer Survey

Port Warpath had initiated the Newcastle University to undertake this survey to investigate the number of employees at the Port Warpath Coal Services with cancer, compared to the general population.

g Low Emissions Coal Technology

There is a lot of money committed by the Government and the mining industry in support of proving clean coal technology projects in NSW. The Chairman observed that even Richard Braxton had offered \$10 million for someone to come up with some answers on CO2.

Resolved:

That the information contained in Items a to g be noted.

12 REMAINING MEETING SCHEDULE FOR 2007

Annual General Meeting - Friday, 9th November at Liverpool Plains -Queried

13 GENERAL BUSINESS

a Councillor Borg moved that the Association write to Broken Hill seeking the continuation of Alan Tucker as Broken Hill's representative beyond November, with a copy to the Minister for Local Government.

Resolved:

That the Chairman write to Ken Boyle, Broken Hill's Administrator seeking an extension of Alan Tucker's term as the delegate beyond November 2007.

b Councillor Jew indicated that this would probably be his last meeting. He wanted to acknowledge his heartfelt thanks for the achievements of the Association during his term as a representative and Executive Committee Member. He drew attention to an email he had received from Caroline Graham, a representative of a community organisation, who had been denied an onsite meeting with the Independent Panel for the Southern Coalfield Inquiry. He had forwarded this onto the Executive Officer, who was able to take this up immediately with the Department of Planning. The whole issue was resolved by a phone call, within a matter of a couple of hours. This shows how effective this organisation is and the value and influence it exerts. He wanted to say thank you for the remarkable change in Government it has invoked. Councillor Jew said he is not against mining, however it must be done in a responsible manner. He congratulated the Chairman, Executive Committee and Executive Officer for its many achievements and for its proactive approach.

There have been many successes and changes with Section 94, Section 149, the Valuation of Land Act, mine rates, notifications to councils, lead funding for Broken Hill, the new mining SEPP, the Department of Planning guidelines and the Campbelltown and Wollondilly mining forums, which were major events and certainly an influence to the Government and the recognition of the work of the Association with new member councils. He thanked and named the two deputies, John Davis and Alan Tucker, the Chairman Tony Jones, Margaret MacDonald-Hill, the Executive Officer for their friendship and support. Finally, he acknowledged his friendship with Fred Borg, who had asked him to sit next to him when Councillor Jew first came to a meeting, as a newly elected councillor and delegate. How he had benefited from that friendship and was made aware of mine subsidence in the area and the damage that had occurred. His experience with the members of the Association was very valuable to him and much appreciated.

c Deputy Chairman Tucker gave a brief update in relation to the lead funding. The Council and the State Government were now being sued by an 18 year old youth, affected by the effects of lead, and as a result had the mentality of a 10 year old. He also referred to the fact that he had been supplied with some information by Professor lan Plimer that the source of lead can be traced. It actually has a fingerprint. He had sent this information to the Executive Officer.

As the meeting was about to close, the Mayor of Mid Western Regional Council, Percy Thompson sang a song about Henry Lawson Country, which he had written himself. The meeting was delighted and applauded him.

Bill O'Neil moved a vote of thanks to Mid Western Council and the Mayor.

There being no further business, the Chairman declared the meeting closed at 12.35pm.

July 23 2007



Wyong Strategic Inquiry Panel Secretariat c/- Department of Planning GPO Box 39 SYDNEY NSW 2001

	Received
	2 5 JUL 2007
In the second	Critical Infrastructure and Special Projects SDA

Dear Sir

The Association of Mining Related Councils is an organisation of Local Government Councils across the State of NSW who have within their boundaries, mines, mineable deposits, mine related infrastructure, quarries, gas extraction, or are subject to impacts of mining from neighbouring areas. Wyong Shire Council, as a member council, has expressed its concern regarding the Kores Wallarah 2 Coal Project.

The Association has always acknowledged the importance of the mining industry to the economic wellbeing of the Australian economy. However, mining does have an impact on the social, economic and physical environment at the local level and therefore any potential impacts must be adequately researched and addressed before any approval for mining is granted.

The following submission reiterates the issues raised by Wyong Council relevant to the Terms of Reference for the Strategic Inquiry into Potential Coal Mining Impacts in the Wyong LGA. It does make specific reference to the Kores project in some sections. However, it is not intended to single out this particular project but merely refer to it as a very valid example and reference point as Point 1 of the Terms of Reference is site specific.

Whether coal mining under the catchment for the Mardi Dam would compromise, in any significant way, the water supply of the Central Coast.

The Kores proposal is to mine the Wallarah and Great Northern seams, which have indicated resources of 878.00mt of good quality thermal coal for export. This represents the last major undeveloped deposit in the Newcastle coalfield. The proposed, staged, underground mining operations are to take place in EL4911, an area encompassing the Valleys of Dooralong, Little Jilliby and Yarramalong, bounded by the Wyong River, Jilliby State Conservation Area and Wyong State Forest.

The major concern and reason for strong community opposition to the proposal is the potential impact on the water catchment. The catchment is considered a primary source of water for the Central Coast, servicing the two local government areas of Wyong and Gosford. The region has suffered drought conditions and water restrictions for several years. Even with recent heavy rain, water restrictions remain to protect this valuable commodity. The water supply is sourced from three dams, Mangrove Creek, Mardi and Mooney, fed by the Mangrove Creek, Mooney Creek, Ourimbah Creek and Wyong River and several aquifers, as well as additional water via the pipeline from the Hunter Region. Water is managed by both Councils, who operate as the Joint Water Supply Authority.

PO Box 273 BELMONT NSW 2280 AUSTRALIA Telephone (02) 4971 6104 Facsimile (02) 4971 6105 Email info@miningrelatedcouncils.asn.au Current population figures (sourced from the Joint Water Authority) reveal Wyong at 140,000 and Gosford at 158,000. These figures combined, are predicted to grow within the next ten and twenty years to 353,000 and 390,000 respectively. The Central Coast is recognised as a growth area in the Department of Planning's Regional Strategy and is already confronted with security of water issues to service its existing population, and will no doubt face even greater regional challenges as the area develops, the population increases along with the need to provide a sustainable water supply.

Extensive exploration activities in the area have resulted in numerous detailed studies over many years. It is noted that the Preliminary Assessment for Kores states the proposed development takes in approximately 6% of surface water catchment area and does have the potential to affect shallow groundwater resources. It further states that the mine will require 1ml/per day but should create a water surplus in later years as mining progresses. It is also intended to use a reverse osmosis system able to produce potable water, which may be available and of beneficial use to the Council.

In accordance with current legislative requirements any proposal for mining will take into account potential environmental impacts on surface and groundwater resources, drinking water and flooding. In view of the legacies of problems experienced in the Southern Coalfields, conflicting views and the broad range of communities' perception thereof, the precautionary principle must apply. For any mining to occur, a comprehensive environmental assessment should eliminate beyond any reasonable doubt any threat to the water supply. Proposed mine plans should be set back from the Wyong River and avoid mining under all water supply dams and infrastructure.

Environmental impacts of any underground coal mining – subsidence and amenity of the community

Wyong Council has listed issues of cumulative impacts, subsidence, hazards, visual impacts, flora and fauna impacts, impacts to existing infrastructure, air quality, noise and vibration, flooding, greenhouse gas emissions and threats to Aboriginal heritage amongst its concerns.

Although the shire has a history of mining and past experience from subsidence impacts, the area has moved away from an agricultural and rural landscape to a diverse economy.

It is understood that all such matters would be well canvassed in an Environmental Assessment for any mining development.

The Kores proposal is for a deep mine and consideration has been given to the dimensions of the longwall panels, the depth and dimensions of the coal seams and the depth of cover and geological structures. As such, it is noted the Kores proposal has reduced the width of longwall panels under the residential Hue Hue area, where the depth of cover is at the shallowest, 325m up to 400m, to reduce mine subsidence. The mine layout appears to have taken into consideration above surface constraints and the 1:100 year flood zone and a large area proposed to be mined is under the State Forest. The mine infrastructure seems also to be located in the industrial precinct, away from residential areas.

However, any mine in a populated area will still have visual impact with coal stockpiles and rock spoil, air quality and dust issues, noise from truck movements during construction, increased traffic and hours of operation - most mines are 24/7. It is probable there will be some light intrusion to adjoining residential areas. All these impact on the local amenity. It is acknowledged that most can be mitigated.

There is widespread concern for global warming and the impact of greenhouse gas derived from mining. Any mining company should be a willing contributor to greenhouse gas abatement schemes. Onsite methane gas emissions should be captured and fed into the grid for power generation.

Social and economic significance to the local community

The Kores proposal will provide direct employment for 300 people and additional employment opportunities for 750 people. Wherever possible, the workforce should be sourced locally.

Wyong Shire and the Central Coast have a large proportion of the population who commute daily to other areas via road or rail. The area has traditionally a higher than the State average for unemployment. Long hours commuting with train delays and traffic problems takes its toll on family life and can add to social problems. The mining industry attracts other support industries into an area. It can also bring opportunities via traineeships, apprenticeships and scholarships and contribute significantly to social equity by being a good corporate citizen. It provides improvements to infrastructure as well as employment. It cannot be disputed that mining brings considerable economic benefit to the region, the State and the Australian economy, but this is often of little consequence to the local community, who are faced with the harsh reality of a mine and impacts on their doorstep. Utilisation of natural resources should not destroy the ecological and social balance of a particular area.

Areas where mining should not be permitted, or permitted with conditions

Wyong Council has expressed its concern for mining under EL4912 - the Tuggerah Lake, referred to as a sensitive coastal lagoon.

This exploration area is held by Kores but does not form part of the current proposal. A high level of awareness about the nature of the local environment, the lake's ecosystems and its appropriate management is required. The independent Panel should investigate and provide expert advice in relation to any proposal to mine in this area.

The Association is grateful for this opportunity to comment on this important matter.

Yours faithfully

henlax Chill

Margaret MacDonald-Hill **EXECUTIVE OFFICER**

Minutes of NSW Association of Mining Related Councils Inc Annual General Meeting November 9 2007 at Quirindi RSL

ATTENDANCE

Cr Tony Jones, Chairman Cr Alan Tucker, Deputy Chairman Mr Bill O'Neil Mr Ken Boyle Cr Peter Veenstra Mr Greg Cooper Mr Dominic Bruszewski Mr Ian Curtis Cr Geoff Slack Mr Glenn Wilcox Cr Colleen Fuller Mr Eric Groth Cr Dennis Brady Cr Wayne McAndrew Mr Paul Anderson Mr Robert Hunt Cr Ian Lobsey Cr Richard Anderson Mr Bob Stewart Mr Neil McGarry Cr Esme Martens Cr Percy Thompson Cr Jennifer Lecky Cr Stephen Thatcher Cr Ken Bates Cr Marilyn Eade Cr Mary Robinson Cr Geoff Sharrock Cr Peter Hodges Mr Mike Long Mrs Margaret MacDonald-Hill Dr Nikki Williams Mr Tony Maher

Gunnedah Shire Council **Broken Hill City Council** Honorary Life Member **Broken Hill City Council Cabonne Shire Council Cabonne Shire Council** Camden Council Campbelltown City Council Gloucester Shire Council **Gloucester Shire Council** Gunnedah Shire Council Gunnedah Shire Council Lachlan Shire Council Lithgow City Council Lithgow City Council **Liverpool Plains Shire Council** Liverpool Plains Shire Council **Liverpool Plains Shire Council Liverpool Plains Shire Council Liverpool Plains Shire Council** Mid Western Regional Council Mid Western Regional Council **Muswellbrook Shire Council** Muswellbrook Shire Council Narrabri Shire Council Newcastle City Council **Singleton Shire Council Singleton Shire Council Upper Hunter Shire Council** Wyong Shire Council **Executive Officer NSW Minerals Council** CFMEU

APOLOGIES

Cr John Davis, Deputy Chairman Cr David Bolte Cr Howard Mangelsdorf Cr Ted Wilson Mr Andrew Roach Cr Eva Campbell Cr Fred Borg Mr Terry Kavanagh Cr Terry Brady Cr Neville Castle Cr Keith Parsons Cr Robert Wilson Mr Alan McCormack Cr Michael Banasik Cr Judith Hannan Cr Tony Kent Cr Zeki Esen Cr Warren Welham

Orange City Council Bland Shire Council Bland Shire Council Blayney Shire Council **Blayney Shire Council** Camden Council Campbelltown City Council **Dungog Shire Council** Lachlan Shire Council Lithgow City Council Newcastle City Council Parkes Shire Council Parkes Shire Council Wollondilly Shire Council Wollondilly Shire Council Wollongong City Council Wollongong City Council Wyong Shire Council

1 WELCOME

The Chairman, Councillor Tony Jones, declared the meeting open at 9.05am and handed over to the Mayor of Liverpool Plains Shire Council, Councillor Ian Lobsey, to perform the welcome.

Mayor Lobsey welcomed the delegates to Quirindi and noted everyone had a taste of Liverpool Plains hospitality last night. He referred to his town as God's own country, a very friendly town and hoped that people would take the time to visit some of the attractions while in Quirindi, such as the rail museum and garden and the historical cottage. The Mayor invited all to go and see them as they were well worth the effort. In closing, he wished everyone a successful meeting.

2 APOLOGIES

The tendered apologies were accepted.

3 DISCLOSURE OF PECUNIARY OR CONFLICT OF INTEREST

There were no disclosures of pecuniary or conflict of interest made at the meeting.

4 CHAIRMAN'S REPORT

The Chairman presented his report to the meeting and confirmed his intention to seek re-election.

Resolved:

That the report of the Chairman be accepted.

At the conclusion of his report, the Chairman presented Councillor Mary Robinson from Singleton with Honorary Life Membership to the Association. Councillor Robinson was one of the founding members of the Association, a delegate from 1983 to 1986, 1991, 1994-1995 and a member of the Executive Committee since 1999. Councillor Robinson will be retiring from Local Government in next year's elections.

The Chairman also presented Alan Tucker with a Certificate of Recognition in acknowledgement of his efforts on behalf of the Association as a member of the Executive Committee since 2004 and Deputy Chairman from 2005 to 2007. As Broken Hill is under administration, Alan Tucker's term could not be extended beyond the Association's Annual General Meeting.

5 ELECTION OF OFFICERS

The Chairman vacated the chair and called upon Liverpool Plain's General Manager, Robert Hunt, to act as the Returning Officer for the election of the 2008 Executive. The election was conducted by ordinary ballot.

Councillor Tony Jones of Gunnedah was nominated unopposed and duly re-elected as Chairman for the ensuing year.

There were four nominations received for the two positions of Deputy Chairmen, Councillors Ken Bates from Narrabri, Dennis Brady from Lachlan, John Davis from Orange and Neville Castle from Lithgow.

A ballot was undertaken and Councillor John Davis was returned to office as the metalliferous Deputy Chairman, with Councillor Ken Bates as the newly elected Deputy Chairman for coal.

There were eight nominations received for the 2008 Executive Committee:

Councillor Fred Borg from Campbelltown Councillor Dennis Brady from Lachlan Councillor Neville Castle from Lithgow Councillor Colleen Fuller from Gunnedah Councillor Tony Kent from Wollongong Councillor Jennifer Lecky from Muswellbrook Councillor Esme Martens from Mid Western Councillor Mary Robinson from Singleton

The Returning Officer declared all elected. The Chairman, Deputy Chairmen and members of the 2008 Executive Committee were all congratulated on their appointment.

6 ADOPTION OF MINUTES OF MAY 11 2007 MID YEAR GENERAL MEETING AND AUGUST 31 2007 EXECUTIVE COMMITTEE MEETING The minutes of the May 11 2007 Mid Year General Meeting at Narrabri were adopted.

The minutes of the August 31 2007 Executive Committee Meeting at Mudgee were corrected on Page 9, Paragraph 3 by deleting the reference to Peter Hodges with Liverpool Plains and changing the price of coal from \$12 per tonne to \$60-\$80.

Resolved:

That the minutes of the Mid General Meeting of May 11 2007, held at Narrabri and the August 31 2007 Executive Committee Meeting held at Mudgee, as amended, be adopted.

7 BUSINESS ARISING

a Gloucester Mining Forum

The Chairman confirmed the forum was successful, even though it presented one side of the argument, with only one speaker in favour of mining. The community groups were very well presented and well researched with a lot of facts. The Chairman advised that he had received a telephone call from Gloucester Coal after the forum and his advice to the company was to get together with the people and try and resolve the issues. A full report will be brought back to the February Executive Committee meeting.

b Mining Survey

Councillor Martens thanked all those councils who had replied to the survey. As the response was not as good as she would have liked, she encouraged all councils to respond. Mid Western Council is looking at the potential for disability funding in view of all the new mines for the area and the more information obtained, the more accurate they can be in their approach to the Grants Commission. She concurred with the Executive Officer's suggestion that Grahame Gibbs, Deputy Chair of the Grants Commission, be invited to a future meeting of the Association as guest speaker.

Councillor Marilyn Eade from Newcastle queried where was the source of the funding and what was it for. Ken Boyle, administrator from Broken Hill advised that it was under the Financial Assistance grants. Councillor Martens replied that in discussion with the Grants Commission, new mines in the Mudgee area were not considered as a disability factor, partly because the Commission does not have any comparative information.Councillor Eade stated that Newcastle is experiencing a similar problem with the impacts from the earthquake some years back.

8 EXECUTIVE OFFICER'S REPORT

Councillor Eade referred to the Executive Officer's comment regarding the potential impact of the 2008 Local Government elections on the Association. She suggested sending a letter to all member councils prior to and after the election to remind them of the achievements of the organisation. Even though Newcastle no longer has any mining, they still have the impacts from nearby mines like Donaldson and she was grateful to be a part of the Association, as it is a good organisation and has achieved much.

Alan Tucker added that that is the problem because not enough information is getting out on what we do and the benefits received. The stronger it is the better it is. He referred to Councillor Norman Jew from Wollondilly listing all the achievements in his farewell speech to the last meeting.

Councillor Eade referred to the early example in Wollongong and taking trucks off roads, an achievement that is perpetually active.

Councillor Peter Hodges from Upper Hunter Council questioned the Executive Officer if she knew why the change rate of delegates was so high at the last election and was there a benefit to be gained from mentoring delegates?

EXECUTIVE OFFICER'S REPORT continued

The Executive Officer responded that it was not one particular reason but a mix of circumstances such as a change in electoral boundaries or wards, party politics and pre-selection and some retirements.

Alan Tucker reminded everyone at the first meeting of the Association at Lithgow in 2004, after the Local Government elections, no-one new one another. He thought councils should send someone to the meeting who knows what the organisation does.

The Mayor of Mid Western Regional Council, Percy Thompson, said you cannot do that because the representatives are democratically elected by their council. You would have to change the Local Government Act.

Councillor Eade said it is very important to have that continuity.

The Chairman said in his council there are five councillors not standing in Gunnedah. There are many potential issues such as the proposed mining of the Liverpool Plains. The Association has always taken a balanced view and it is important that that is retained.

Honorary Life Member Bill O'Neil indicated the rapport the Association has with the Ministers and the difference in rating that has been achieved. He agreed that we need to maintain the good balance. It makes a lot of difference with the personal contact the Association enjoys and the fact that we also have a lot of respect from the Opposition. He referred to everyone speaking about climate change these days and the importance of maintaining jobs for the workers.

Resolved:

That the report be received.

9 FINANCIAL REPORT

The Financial Report was tabled at the meeting. Mr Eric Groth, the Association's Financial Controller and Gunnedah's Manager of Finance confirmed that the report presents a very sound position for the Association.

Resolved:

That the financial report be adopted.

10 VĂL'Ė CLIFF RUSSELL

Delegates who remembered Cliff Russell were saddened to hear of his death. The Chairman confirmed that the Executive Officer had sent flowers to the family and attended his memorial service on the Central Coast.

Resolved:

That the information be noted.

At this stage of the meeting, guest speaker, Tony Maher, arrived, standing orders were suspended and Item 12 was brought forward to accommodate his departure to catch his flight.

For purposes of continuity, the minutes remain in sequence.

11 RIVERS SOS DVD

Dr Nikki Williams, Chief Executive Officer of the NSW Minerals Council, provided the industry's response to the DVD. She said the DVD was only part of the truth and not indicative of a regional perspective. A copy of her address is attached.

Councillor Geoff Sharrock from Singleton referred to Dr William's statement that only 1% of NSW's water is used by mining. He advised that mining uses 3% in Singleton.

Greg Cooper from Cabonne queried if Australian standards were used overseas by Australian mining companies.

Dr Williams replied that the NSW Minerals Council does not have a policy and she was unsure if Minerals Council Australia did.

Councillor Wayne McAndrew from Lithgow referred to his comments made at the Mudgee meeting. He repeated that the industry is far more regulated and the conditions a lot more stringent now. He again asked what is the role of the Association and what is it being asked by Rivers SOS? It had been discussed by Lithgow Council and a very strong response against any funding sent to the Executive Officer. It is considered against the charter of the Association and there is much concern regarding the Coal Rush section which featured on the Mudgee area. This area is the future for coal mining in the Western Coalfield and any restrictions would have major employment and economic ramifications that would extend well beyond the Mudgee region to impact on the communities of Lithgow and Blue Mountains. His recommendation is that the Association take no further action other than sending the DVD to the Minister for his attention.

Councillor Sharrock said it was good that the delegates had the benefit of both sides of the argument.

The Chairman agreed and said it was useful as a wake up call to the councils who represented their communities.

Councillor Hodges stated with due respect to the guest speakers, that we are moving very quickly with climate change. He gave what he referred to as the extreme example of mining under a creek and the fact that there was discussion that the miners should not take the pillars out because they recognised then that they would drop the creek. That was twenty five years ago.

Councillor McAndrew referred to the different geology in the coalfields. He acknowledged that there was some bad history with sandstone and there are areas that will be sensitive and the Government and the industry should not consider mining. The LEP will not have ruled out the impacts from mining in his shire or other areas. There has been a lot happening the last five to ten years.

RIVERS SOS DVD continued

Alan Tucker said we saw Marhney's Hole and what had happened there. The four people from that region who should be asked to comment are not here today.

Councillor McAndrew replied that they do a lot better job in assessing mining these days. We represent a lot of people in our communities. We have a good system in Government today. A one kilometre buffer around all rivers would shut down the Illawarra and the impact would extend well beyond mining industry jobs.

Mr Nick Bruszewski from Camden stated his council did not support the one kilometre buffer.

Mr Ian Curtis from Campbelltown added his council is waiting on the Southern Coalfield inquiry's report to be released.

Resolved:

That the Minister for Primary Industries be sent a copy of the DVD for his attention.

12 CLIMATE CHANGE

Tony Maher, General President of the CFMEU – Mining and Energy Division addressed the meeting on the Union's response to climate change.

A copy of the Union's position paper was distributed to the meeting.

Mr Maher stated that climate change will present a big challenge and there has been an explosion of public awareness in NSW with 2006 being the tipping point. He found it interesting that no-one protests in Queensland with twenty new mines opened up. It was a different land use because where the mines are in Queensland; it is not good for much else.

The union supports a Mandatory Renewable Energy Target.

There was a belief that clean coal is a furphy, with high profile people like Dr Karl Kruszelnicki making incorrect statements to the media.

Dr Williams confirmed he got it wrong and has since retracted his statements. She said all groups recognise the place of clean coal. Out of 39 projects, there are ten are in Australia. She referred to the Coal 21 partnership and the need for the industry to be part of the solution and not part of the problem. Coal 21 is a road map for developing pilot projects, including improving efficiency to base loading. It is a \$400 million fund supported by a voluntary levy on the NSW coal industry for vital research and improving the efficiency of base loading and innovation into combustion processes, oxy firing and the development of commercial size demonstration projects.

The Chairman questioned how far away is the technology?

Dr Williams replied commercialisation by 2020. Pilots will run for three to four years. There are economic and environmental considerations and these kind of power stations will take six to seven years to build.

Tony Maher said we should have been doing this ten years ago. The technology was there then. The scientists want to go there. There has been a lot of experiments and interest. We need to compress the time frame.

CLIMATE CHANGE continued

Councillor Hodges referred to the Liverpool Plains Caroona project and the wheat crop. How do you get the message out to the general public when people like Dr Karl say clean coal is a furphy?

Dr Williams reiterated that he had to retract his statement. The industry deals with facts and science but it is not so good with the emotion. It is now spending a lot of time investigating how we connect with the people. We are hoping for a much more fact based approach.

Tony Maher said the industry is viewed as the faceless corporate giants. It is hard to get the message across. No-one will believe it until we see it working effectively for a number of years. We need to get on with the business of how to solve the problems.

Councillor Eade said it is national emergency. Newcastle has lots of incentives. It is like a boiling kettle. There are lots of things we can do as individuals like switching off all the standbys, but then you go out to dinner to a restaurant and that still uses power. We need a national response.

Tony Maher said he is not against people or organisations like Greenpeace etc. We need to harness the energy to bring it on. Campaigning or activism needs to be understood. Is individual action enough? People really want to know what they can do to help and it is important to tell them. We need national leadership.

Dr Williams agreed that peoples awareness is important. The industry has been doing it for ten years without Government policy or direction. The Government has to be prepared to bite the bullet.

Councillor Eade asked is it only the project cost? What about the Owen report?

Alan Tucker referred to the proposal for 500 wind turbines at Broken Hill. How far would it have to go to cut out power stations?

Dr Williams replied about 4½ thousand. Primarily the question is based load power 24/7.

Bill O'Neil observed that the coal industry is not against solar or wind power. Every little bit helps.

Councillor Dennis Brady from Lachlan said power stations can be retrofitted. It is the cost to do so.

Dr Williams replied that is why we are doing the trials to determine the base cost to achieve the best outcome, not only economic but also social. Tony Maher said it is a large price to retro fit power stations. That is why we need an unified State and Federal Government approach, although now the State proposes to sell off the power stations. It should be channelled through a single taskforce.

Councillor Jennifer Lecky from Muswellbrook advised that the power stations are also addressing it. Bayswater and Liddell have been doing a lot of work to reduce emissions. They have done a lot to address the issue over the last ten years like changing filters and a \$1 billion cost for solar panelling and retro fitting. There has been a very significant amount of reduction as a result. Tony Maher said the generators are acting in isolation.

CLIMATE CHANGE continued

Councillor Stephen Thatcher from Muswellbrook asked if there is there any validity in the Federal Government signing the Kyoto treaty?

Tony Maher replied there is no reason not to sign. We can sign it because there is no cost and no loss of jobs.

Dr Williams pointed out that China is the largest emitter of greenhouse gases. Half the world is industrialising. Look at India. We need to have these people in because it won't solve future problems. It is about quality of life, a lot of people don't have an electric light. What has the world done to help these countries?

Councillor Thompson said we are only minor players. He referred to reading his Grandfather's diary which mentioned the severe drought from 1895 to 1902. We have had climate change for years. There are air conditioners put in most homes giving off CO2. We are a great country because of our mineral wealth. He felt that all were brainwashed in the climate change debate.

Dr Williams said when people referred to increasing levels of CO2; it really meant all greenhouse gases. However, there was a necessity to do the models to get accurate predictions.

There was no resolution for this item

13 PROPOSED MEETING SCHEDULE FOR 2008

The following dates and venues have been set for the 2008 meetings:

Executive Committee Meeting - Friday, 15th February at Wyong **Mid-year General Meeting -** Friday, 16th May at Broken Hill **Executive Committee Meeting -** Friday, 15th August at Parkes **Annual General Meeting -** Friday, 14th November at Lithgow

14 GENERAL BUSINESS

- a Councillor Eade referred to the 3.6 hectare park at Fort Scratchley which is to be handed back to Council in May 2008.
- b Alan Tucker thanked everyone for their friendship and support as this is his last meeting.

Honorary Life Member Bill O'Neil moved a vote of thanks to Liverpool Plains Shire Council for hosting the meeting.

There being no further business, the Chairman declared the meeting closed at 12.25pm.