

The Surface Coal Mining Prohibition (Lake Macquarie) Bill 2009

First Reading

The Surface Coal Mining Prohibition (Lake Macquarie) Bill 2009 will unequivocally implement the Government's intention to ban open cut mining in Lake Macquarie. It will remove the possibility of future projects that skirt the clear intention of the Government to ban such mining practices in Lake Macquarie.

Early in 2007, in response to community outrage at a proposed open cut mine between Cooranbong and Awaba, then Planning Minister, the Hon Frank Sartor, banned open cut mining within Lake Macquarie by way of State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007. This SEPP is generally a policy to enable certain mining operations within NSW but included a specific clause prohibiting open cut mining in Lake Macquarie.

Members of the local community were surprised when in 2008 a mining company proposed a project that bore many of the hallmarks of open cut mining. The arguments for the proposed Olstan auger mine tested the SEPP and argued that the wording left room for interpretations that include high-impact surface mining processes as part of an underground mine; mining methods that I'm certain were not envisaged in the drafting of the SEPP.

The mine would have seen a substantial trench created to allow access to the coal seam and the placement of augering equipment. The trench would have yielded in the order of 45% percent of the coal to be won and clearly was a substantial, not incidental, component of the process.

This unforeseen opportunity for interpretation created an intensely heated situation centred on the proposed Olstan auger mine at Blackalls Park. There was debate within the community, the government and the mining industry on whether the proposed auger mine should be regarded as an underground or open cut mine. The proponent saw the proposed augering as an underground operation, while the community saw the mine as an open cut supplemented by surface augering. The Department of Planning had not resolved the matter by the time the proponent, citing technical and economic reasons, withdrew the application.

The question of permissibility remains unresolved. Consequently, the concern remains with the community that we may see future proposals emerge for mining operations that would be shrouded by the ambiguity that is now associated with the existing SEPP.

The Surface Coal Mining Prohibition (Lake Macquarie) Bill 2009 will eliminate any uncertainty and avoid future debate on particular processes. It will simply define mining by where it occurs – either underground or at the surface.

The Bill quite simply defines an underground mine as a place where people are employed beneath the earth's surface when the mine is being worked and in which the working environment is completely enclosed by the geologic medium. This is a simple all-encompassing definition of underground mining and it is used as the basis for defining other operations as surface mining.

Through this simple approach the Bill clarifies what the SEPP either didn't or couldn't. The Bill supports the status quo of underground coal mining in Lake Macquarie and allows for further development of similar mines. It has been drafted to accord with the intention of the SEPP introduced in 2007.

I wish to place on record my support for underground mining in Lake Macquarie. It is an important part of the economy and provides a considerable number of jobs.

Coal is an important part of our life, even though there is no doubt that our use of energy is changing and in the future we will rely less on coal than we do today. I do not expect that there will be an immediate cessation of coal mining in NSW due to concerns about the need to move to less carbon intensive energy sources. There will no doubt be a transition from coal in alignment with the development of new technologies and improvements in affordability of renewable energy sources. Existing coal reserves and infrastructure for extracting those reserves within Lake Macquarie should be utilised as part of this transition process. That is, mining in Lake Macquarie should continue where it is done in a way that is traditional to the area, and that is underground mining using long wall or bord and pillar mining techniques.

There is no need to “switch off” coal in the short term and it is rational to use the local reserves in a way that is compatible with the urbanised and developing areas around our coal leases.

It is this issue of compatibility that is at the core of any debate about coal mining in Lake Macquarie. Clearly, the prospect of surface mining is unacceptable to communities that see themselves as being at risk from dust and noise impacts. High-impact surface mining processes produce unacceptable risk and incidence of erosion of mine sites and sedimentation in creeks and ultimately Lake Macquarie. The community is concerned about loss of bushland in an area identified as a high priority under the Lower Hunter Regional Conservation Plan.

Arguably the largest concern is the potential health impact of fine particulate matter. The recently withdrawn Oltan proposal would have been within 10km of some 78,000 people

and the potential for health impacts was a major concern for the community. To place the issue further into context it should be noted that the LGA of Lake Macquarie is the fourth most populous in NSW with close to 200,000 residents at present. Under the state's Lower Hunter Regional Strategy Lake Macquarie will grow by a further 60-70,000 by 2031. As the area is a relatively narrow strip bounded by the Pacific Ocean and the Watagan Mountains, and with a large lake between, any new surface mining site in Lake Macquarie would have potential for impact on a very significant population.

This Bill supports the strongly held contention that any form of surface mining is in this day and age, unacceptable in Lake Macquarie. At the same time the Bill supports the continuance of the local mining industry. It allows for the continuation of current mines and current mining methods. It also specifically allows for continued operation of the existing Westside open cut mine near Killingworth, which has only a relatively short operational life remaining. The Bill provides certainty for the underground coal mining industry and provides protection for communities and the natural environment.

This Bill will produce a result that should be seen as perfectly reasonable, because it will provide greater certainty to an existing Government policy on open cut coal mining within the Local Government Area of Lake Macquarie and it will protect the interests of all parties.

The Bill should not be seen by anyone as creating a precedent; any such precedent having been created by the introduction in 2007 of State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007.

The Bill is not anti-mining; it is unashamedly pro environment and pro community. The Bill is intended to remove a legal doubt as to what forms of mining are permissible in Lake Macquarie and in so doing remove the genuine concern that many in our community now feel. There is a great deal of interest in this Bill and I call on the House to give bi-partisan support. I commend the Bill to the House.