

Mr Ian Holland
Secretary
Senate Environment Communications and the Arts References Committee
Inquiry into the impacts of mining in the Murray Darling Basin
Parliament House
Canberra ACT

Email: eca.sen@aph.gov.au

Dear Mr Holland

Thank you for the opportunity to present to the Senate Environment Communications and the Arts References Committee Inquiry into the impacts of mining in the Murray Darling Basin. As requested, please find attached the transcript with a number of minor amendments.

At the hearing NSW Minerals Council (NSWMC) undertook to provide additional information on the following questions asked by the Committee:

1. Application of ANZECC Guidelines

The Committee requested further information on the application of ANZECC guidelines and cumulative impacts. NSWMC refers the Committee to the NSW Department of Environment, Climate Change and Water (DECCW) Publication - *Using the ANZECC Guidelines and Water Quality Objectives in NSW*:

<http://www.environment.nsw.gov.au/water/usinganzeccandwqos.htm>

2. Representatives on the Namoi Water Study and Ministerial Oversight Committee

The Committee requested further information on the membership of the various groups associated with the Namoi Water Study.

Working Group (developed the Terms of Reference) – Chair: Pam Allen

- NSW Minerals Council
- NSW Farmers Association
- Namoi Water
- Caroon Coal Action Group
- Individual mining and petroleum companies – Shenhua Watermark Coal, BHP Billiton, Idemitsu Australia Resources, Santos, Eastern Star Gas
- Secretariat – Industry & Investment NSW

Ministerial Oversight Committee – Chair: Mal Peters

- NSW Minerals Council
- NSW Farmers Association
- NSW Irrigators Council
- Regional Development Australia – Northern Inland
- Australian Petroleum Production and Exploration Association
- Federal Department of Environment, Water, Heritage & Arts
- Secretariat – Industry & Investment NSW

Stakeholder Advisory Group – Chair: John Lyle

- Mining industry representative (2)
- Petroleum industry representative (2)
- Regional Development Australia – Northern Inland (1)
- Namoi Catchment Authority (1)
- Namoi Water (1)
- Local Government representative (1)
- Local Aboriginal representative (1)
- Community representative (2)



3. Triggers for the EPBC Act

The Committee requested information on what possible triggers for the EPBC Act approvals in the Gunnedah area may exist. During any development approval process, including mining, if any of the following matters of national environmental significance are identified then the EPBC Act approval process would be triggered:

- World Heritage properties
- National Heritage places
- Wetlands of international importance
- Listed threatened species and ecological communities
- Migratory species protected under international agreements
- Commonwealth marine areas
- Nuclear actions (including uranium mines).

NSWMC believes the likely potential trigger in the Gunnedah is any listed threatened species and ecological communities. These are typically identified during the flora and fauna surveys assessment process.

4. Rehabilitated Alluvial Case Study

The Committee sought further clarification on the case study of alluvial land rehabilitated in the Hunter Valley referred to on page 14 of NSWMC's submission. Specifically, the Committee inquired about the status of the other 62% of the rehabilitated alluvial land referred to in the case study.

In the Hunter Valley Case study, of the 160 hectares, four different classes of land existed prior to mining (Land Capability Class 1 – 38%, Class 2, Class 4 and Class 8). The whole 160 hectares has been fully rehabilitated with all the Class 1 and Class 2 lands fully restored, and the Class 4 and 8 lands restored to Class 4. Overall the entire land area has been rehabilitated to a higher quality than previously existed prior to mining.

The Committee also sought clarification if this case study was the largest example of rehabilitated agricultural land. NSWMC is unable to ascertain at this stage if this case study is the largest example of agricultural land rehabilitated. However, each year, the mining industry undertakes a large number of ongoing rehabilitation projects, including many voluntary projects, across a range of land capability types. The industry has many examples of leading practice environmental management, and is recognised as a leader in this field.

5. Amendment of Mining Approvals

The Committee sought clarification if any mining approvals had been amended because of particular agricultural land, water or community concerns. This information is not readily collated and has been difficult to ascertain. Anecdotally we understand that many project approvals are modified during the approval process and this can be due to a range of issues, including potential land use conflicts with agriculture.

6. Examples of Mining Companies Fined

The Committee requested examples of mining companies being fined under various NSW Acts. Under the Protection of the Environment Operations Act, 1997 there are some specific examples of mining companies prosecuted and fined for breaches of environmental protection licence conditions by DECCW. A full list of any prosecutions and breaches are available on DECCW's Public Register:

<http://www.environment.nsw.gov.au/publicregister/>

The prosecutions of mining companies under the POEO Act since 2005 are:

- Perilya Broken Hill Ltd – 26/06/05 – Breach licence condition – Fine \$2000
- Centennial Newstan Pty Ltd – 31/10/06 – Pollute waters - \$50,000 repair costs
- Werris Creek Coal Pty Ltd – 31/07/09 – Breach Licence Condition - \$49,000 rehabilitation costs

In addition to these prosecutions there has been a number of Penalty Infringement Notices (PIN) given to mining operations. A PIN often involves remedial action and a \$1,500 fine. In the Hunter region there were four PINs issued in 2008 and three in 2007 for breaches of licence conditions.



7. Mining Methods

The Committee requested information on mining methods that could be used other than long wall and open cut mining. There are three main mining methods available. The following is an extract from BHP Billiton's presentation at the Senate Food Production Inquiry (see transcript-18 Sep 2009, page 6):

Mr David (BHP Billiton) - There are first workings, or disc-driving tunnels. They are more for the purpose of getting from point A to point B. It is not really an economic means of mining. The other is board-and-pillar mining, which is about driving lots of tunnels over an area ... Then there are lots of other variations that people might use. But largely there are first workings, which are access roadways. At those access roadways you extract a very small percentage of the overall coal. Hence they do not create any subsidence, which is a key factor. Then you move to longwall mining, where you try to extract a large percentage of the coal in the seam. That creates a certain amount of subsidence on the surface. The third method is the opencut method, where you basically take off all of the overburden lying above the coal seams and remove 100 per cent of the coal seams.

I trust that this information adequately addresses the questions asked by the Committee. NSWMC will be taking the opportunity provided by the Committee to submit a supplementary submission, and will forward this in the near future.

Yours sincerely



Sue-Ern Tan
GENERAL MANAGER POLICY AND STRATEGY

Encl.

