

Upper Hunter Mining Dialogue

2014 Annual UHMD Workshop Report

3 December 2014



Workshop attendees discussing Upper Hunter mining issues

Introduction

About the workshop

On 3 December 2014, participants involved in the Upper Hunter Mining Dialogue (Dialogue) met to review progress of the Dialogue during 2014, and considered how the Dialogue can continue to evolve to meet its goal of bringing together the Upper Hunter community to promote co-existence and deliver the best overall outcomes for local communities.

This was the third annual Workshop. The first Workshop held in December 2012 concluded that an annual gathering of the many individuals and groups involved in the Dialogue was a helpful way to keep track of the progress of the many Dialogue projects and to consider broad issues such as how the Dialogue is managed, whether it is making good progress and the issues it should be tackling.

The Dialogue is a different way of tackling cumulative impacts and continues to evolve. As part of that evolution, the 2014 workshop was planned by a group including representatives of the community, local government and industry.

The workshop itself was also a joint effort, with members of each of the Joint Working Groups presenting on the progress of their current projects.

About this report

This report captures the written feedback from the workshop. The discussion points have been transcribed verbatim however some small additions/amendments have been made to the written feedback where it is necessary to assist the reader (grammar and spelling corrections, expansion of acronyms etc.). Some of the feedback and ideas are difficult to interpret; therefore it will be the task of the working groups and/or industry to determine the intent of each item of feedback or idea.

Thank you to John Drinan (Singleton Shire Healthy Environment Group), John Watson (Glencore) and Peter Forbes (Anglo American) who reviewed the draft report.

Next steps

Valuable feedback on the projects was provided during the workshop and this will be considered by the Joint Working Groups and/or industry as the projects are developed and implemented. Each of the Joint Working Groups will consider this report during their first meeting in 2015.

Thank you

The NSW Minerals Council and our Upper Hunter industry members would like to thank everyone who participated in the workshop and throughout the year, particularly the hard working members of the Joint Working Groups and Housing Research Steering Group.

Special thanks to:

- The Joint Working Group members who assisted in planning the workshop: John Drinan and Neville Hodgkinson (Singleton Healthy Environment Group), Jim Morgan (Wybong Action Group), Di Sneddon (former editor Singleton Argus), Gill Eason (Singleton Business Chamber), Gary Bailey (Bloomfield Collieries), Dave O'Brien (Glencore) and Troy Favell (Peabody Energy).

- The Joint Working Group members who presented and hosted the gallery session: Rebekah Gomez-Fort (NSW Department of Primary Industries), Chris New (Coal & Allied), James Barben (Ashton Coal), Bruce Whitten (Hunter Valley Water Users' Association), Troy Favell (Peabody Energy), Wendy Bowman (Singleton Healthy Environment Group), Bill Baxter (Coal & Allied), Leonie Ball (Singleton Beef and Land Management Association), Jim Morgan (Wybong Action Group), Neil Griffiths (NSW Department of Primary Industries), Nigel Charnock (Glencore), John Drinan (Singleton Healthy Environment Group), John Watson (Glencore), John Hindmarsh (The Bloomfield Group), Peter Forbes (Anglo American), Neville Hodgkinson (Singleton Healthy Environment Group), Melinda Hale (Singleton Shire Council), Craig Strudwick (Glencore), Gary Thomson (Singleton Shire Council), Gill Eason (Singleton Chamber of Commerce and Industry), Suzanne Cryle (Peabody Energy), and John Richards (The Bloomfield Group).
- The government presenters who provided updates on key external areas impacting Dialogue issues: Matthew Newton (Department of Resources and Energy), Alex O'Mara (Department of Planning and Environment), Adam Gilligan (Environment Protection Authority) and Scott Brooks (Department of Planning and Environment, Singleton Compliance Office).

Context Setting

The first half of the day involved setting the scene and context of the Upper Hunter Mining Dialogue's purpose and also providing an update of where the projects were up to.

Scene Setting

An introduction was provided by John Richards (Managing Director – Bloomfield Group and Chair of the Dialogue's Executive Oversight Committee) who provided an explanation of what the Dialogue is and an overview of its purpose and scope. John highlighted the progress that the Dialogue had made to break down barriers between mining companies and local people and reiterated its purpose of addressing the cumulative impacts of mining in the Upper Hunter.

Context Setting

A panel discussion was the next session of the workshop. The panel included three different perspectives: Gill Eason, Singleton Business Chamber (Business), John Drinan, Singleton Shire Healthy Environment Group (Community and Environment) and John Richards, Bloomfield Group (Industry).

The panel discussed their perspectives on mining in the Hunter Valley within broad topic areas including: business conditions, financial reality, regulatory environment, and community attitudes.

Dialogue status

This session of the workshop involved brief presentations from members of the Joint Working Groups to provide updates on the current projects. A description of all of the current projects is provided in **Appendix A**.

External status

This session involved presentations and discussions on key external areas impacting mining and the Dialogue issues. Four government presenters included Matthew Newton (Department of Resources and Energy), Alex O'Mara (Department of Planning and Environment - Executive Director Policy and Strategy), Adam Gilligan (Environment Protection Authority – Hunter Manager) and Scott Brooks (Department of Planning and Environment - Singleton Compliance Office) presented on what their respective departments are undertaking in relation to mining in the Upper Hunter.

Gallery walk

During morning tea and lunch there was a gallery session with stands that used different methods to communicate and interact about the projects, including maps, posters, online computer displays, photos and suggestion boxes. Some of the Joint Working Group members were available at the stands to discuss projects in further detail.

Priority issues and ideas

Having set the scene and provided a detailed update on the progress of the projects, the second part of the day was about identifying issues, prioritising them and recommending ideas to the working groups and/or industry to address them. Importantly, it was suggested to participants that there might be actions outside the control of the Dialogue that might benefit from advocacy on their behalf by the Dialogue.

The session involved looking forward and thinking about how the Dialogue could continue to evolve in order to remain relevant and make progress on issues of concern. Initially the workshop divided into groups to identify issues. The issues were then grouped into related topic areas and group discussions on those topic areas were then held.

This session involved three parts

- Identifying issues.
- Generating ideas for consideration by the working groups.
- Prioritising and scoping ideas.

The results of the discussions are provided in the sections below.

General discussion of issues

- Alluvial lands should not be touched.
 - Look at what has been mined.
 - Identify areas in the Hunter Valley.
- Planning for mine sites (post-closure) unclear to public.
 - Industry diversification.
 - Skills/training expertise.
- Tourism opportunity for rehabilitated mine land - improve cultural / physical.
- End of mine economy - from mining company and other industry.
- Regional focus.
- Biodiversity offsets versus final land form.
 - Ratios = problematic.
- Entrepreneurial spirit – encourage.
- Voids - mixed uses.
- Grazing within Biodiversity offsets land - UHMD advocacy.
- Public communication about biodiversity offsets.
 - Challenges faced by mining Industry - best solution?
- Information sharing (mines and public) regarding rehabilitation (best practice etc.)
 - ACARP = resource / forum.
 - NSWMC Conferences.
- Regional and strategic approach to final land management
- Better Government engagement and control in communication and community relations in coal allocation and exploration.
- Manage the resource for the public benefit.
- Incorporate water accounting in to regulatory framework.
- Public Air quality forecast for the Upper Hunter (through the EPA).
- Impact of shift work on quality of life and mental health.
- More involvement of the power stations in the Dialogue.
- Water tanks - emissions and health - could be considered.
- Analysis of depositions.
- Impact of cyclical nature of commodity prices and impacts of economic change.
- Learning lessons from the upswing to enable improved management of issues in the future.
- Does the dialogue have a role (advocacy/education) in addressing other issues (non mining) e.g. wood smoke.

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- Potential / synergies between industry. e.g. potential for sharing water between mining and other industries.
- Address contribution of wood smoke to emissions (holistic approach to addressing emissions).
- Planning for future and economic diversity - including identifying opportunities and innovation through the mining industry.
- Opportunities for partnerships between mining and education/R&D supporting innovation.
- Agriculture / aquaculture opportunities should be investigated.
- Monitoring implementation of government programs / initiatives.
- Alternative uses for mines/lands - e.g. tourism, recreation.

Other issues identified during gallery walk

- Mining companies to assist local Aboriginal groups by providing Aboriginal artifacts kept at mines for a museum.

Topic 1: Social Impacts and Infrastructure

Identification of issues

- Impact of shift work on quality of life and mental health.
- Impacts of shift work on individuals and families (physical and mental).
- Community e.g. volunteers/sports/social fabric.
- Waste management.
- Voluntary Planning Agreements (VPAs) misaligned with social impact assessment and opportunities (SIAOs).

Ideas for consideration by working groups and/or industry

Recommended idea	Priority	Why is the priority set this way?	Dialogue action or advocacy	Who should be involved?
Share information gathered regarding shift work and its impacts	Low	Has already been undertaken	Action	NSWMC / Social Impacts and Infrastructure Working Group
NSWMC VPA Working Group to consider if misalignment of VPA money and SIAO's is an issue to be considered in VPA reform	Low	State-wide issue, not an Upper Hunter issue	Action	NSWMC
Invite waste divisions at councils to speak with Environmental Managers at mine sites to identify and resolve any issues	Low	Perception issue	Action	NSWMC

Topic 2: Industry Government Partnership

Identification of issues

- Economic diversification and development.
- Better government control of communication, Exploration and Mineral and Resource Management.
- Monitoring implementation of government programs and initiatives.

Ideas for consideration by working groups and/or industry

Recommended idea	Priority	Why is the priority set this way?	Dialogue action or advocacy	Who should be involved?
Collective advocacy on agreed priority government initiatives and programs (committed)	High	Certainty for investment, community, infrastructure development	Advocacy (½ yearly meeting with Minister for Hunter)	- Industry, Council, Community Business leaders - Minister for the Hunter
Government endorsement of their own decisions to grant Exploration Licences	Medium	Could be part of the 1st action and maybe something that can be achieved through goal allocation	Advocacy	- Industry, Council, Community Business leaders - Minister for the Resources
Proper royalties for regions (long term) program (a more equitable share)	High	Because Resources for Regions not equitable	Advocacy	- Industry and Council - Deputy Premier DTIRIS

Topic 3: Diversification – During and Post Mining

Identification of issues

- Industry- scale projects. Maximising all resources able to be offered
- Greater leverage and economies of scale
- Advocate government for a regional economic diversity plan
- Mine related tourism and diversification e.g. horse and wine industry and Aboriginal culture
- Economic diversification
- Industry diversification and future economy
- Exploit synergies between industries (mining, beef, viticulture, tourism, equine)

Ideas for consideration by working groups and/or industry

Recommended idea	Priority	Why is the priority set this way?	Dialogue action or advocacy	Who should be involved?
Recognise the resources <ul style="list-style-type: none"> • Natural • Human and skills sets • Infrastructure (Asset register)	High	Smarter use of resources to retain broad skill sets in this area.	Advocacy for regulations to allow for changes in final mine plan	Bureau of statistics Councils
Think tank for ideas. Invitees: <ul style="list-style-type: none"> • Community • Viticulture • Agriculture • Equine • Tourism • Mining • University • Hunter Research Foundation • CSIRO • Commonwealth Industry Growth Centres Programme (Mining Equipment, Technology and Services) • Newcastle Institute for Energy and Resources • State forest • Councils 	High	Bring new skill sets Insurance against fluctuations Better end result Co-existence is critical	Dialogue action and Advocate for Regional Economic Diversity plan Write a project plan for funding by Resources for Regions (for think tank)	Business chambers Dr Ernesto Sirollii UHMD

Topic 4: Community Engagement strategy for Dialogue as a whole

Identification of issues

- Communication of achievement and projects
- Communications / Awareness Raising of Dialogue Example: Weekly air quality graph in local papers
- Role of the dialogue during the downturn

Ideas for consideration by working groups and/or industry

Recommended idea	Priority	Why is the priority set this way?	Dialogue action or advocacy	Who should be involved?
Interactive mining exhibit “tourism”	Low - Medium	To provide positive mining information to the community	Action	Muswellbrook / Singleton Councils Mine Representatives NSWMC Representatives
Stakeholder engagement strategy	Medium - High	To engage the community effectively UHMD	Action	UHMD
Road show, Hunter Coal Show	Low - Medium	To better inform the community regarding UHMD achievements and better understanding of what they want	Action	Representatives from UHMD
Mine tours to demonstrate UHMD topics i.e. <ul style="list-style-type: none"> • Rehabilitation • Water management • Noise management • Dust management 	Medium - High	To better engage community regarding UHMD issues	Action	UHMD representatives
UHMD to continue engaging with stakeholders during downturn	High	Issues continue and economic situation will change	Advocacy	UHMD representatives

Topic 5: Emissions and health

Identification of issues

- Public/EPA air quality forecast for Upper Hunter.
- Depositional dust impacts on drinking water.
- Health effects of pollutants. Air and water.
- Holistic approach to addressing air quality (wood smoke, Power stations, PM 2.5, other)
- Dealing with out-of-industry issues - e.g. wood smoke
- Correct some misconceptions - sell the works already done

Ideas for consideration by working groups and/or industry

Recommended idea	Priority	Why is the priority set this way?	Dialogue action or advocacy	Who should be involved?
Dust off (pun intended) 2011 study on depositional dust/drinking water (publish on the UHMD website)		Address concern and lapse of knowledge	Action	NSWMC
Public Access to Upper Hunter Air Quality forecast	High	Existing priority project	Advocacy	NSWMC
Health risk assessments		Community desire to see health risk info	Action / Advocacy	Emissions and Health JWG
Characterisation study. What next? Holistic approach to air pollutant management		Increase knowledge base among community	Action / Advocacy	Emissions and Health JWG
Lobby power generation industry for UHMD Involvement		Significant emission source	Advocacy	NSWMC

Topic 6: Land management

Identification of issues

- Biodiversity offsets (management of and policy details)
- Lack of progress of synoptic plan
- Strategic approach final land use e.g. voids, economic use
- Strategic approach to future (mine affected) land use
- Future land use and future economy
- What will the valley look like? Voids? Biodiversity?
- Recognition of end of mine life use for biodiversity offsets
- Rehabilitation (principles, policies and communication)
- Management of ex mine land. Who and how?
- Updated “synoptic plan” to inform future Regional growth and Infrastructure plan

Ideas for consideration by working groups and/or industry

Recommended idea	Priority	Why is the priority set this way?	Dialogue action or advocacy	Who should be involved?
Collation of existing baseline approvals – Geographic Information Systems (GIS)	High	Hasn't been done. Needed for future approvals and rehabilitation outcomes	Advocacy	Assist Division of Resources and Energy (DRE)
Gain agreement on presentation of spatial data	High	Hasn't been done. Needed for future approvals and rehabilitation outcomes	Advocacy	Role for UHMD
Prospective areas for future mining - offsets		Hasn't been done. Needed for future approvals and rehabilitation outcomes	Both	Mining companies, DRE
Rehabilitation policies guidelines models	Medium	Can use info from grazing trial etc.	Dialogue can be sounding board	DRE, Department of Primary Industries (DPI) and Dialogue
Feed into vision for what region looks like			Both	Broader community, Department of Planning and Environment (DPE), Dialogue, broader industry
Ongoing management ex mining land and tenure of that land	Medium	Need to know who will be responsible in the future and that the land is managed sustainably	Advocacy	

Conclusion

The December Workshop provides an opportunity each year to bring together the participants in the Dialogue to review the progress of projects and the Dialogue more broadly, and to continue to evolve the process so that it continues to building a sense of community and making a valuable contribution to reducing the cumulative impacts of mining in the region.

All of the feedback and the recommended ideas that have been identified at the Annual UHMD Workshop will be considered by the Joint Working Groups and/or industry as they progress work on current projects.

APPENDIX A – Current UHMD projects

Emissions and Health

Communications strategy

The second Air Quality Information Sessions were held in October 2014 in Singleton and Muswellbrook. Dr John Drinan of the Singleton Shire Healthy Environment Group and a representative from industry jointly opened each session.

Representatives from the Environment Protection Authority, the Department of Planning and Environment's Singleton Compliance Office and the Office of Environment and Heritage provided an overview on air quality in the Upper Hunter plus updates on the various initiatives underway to better understand and manage air quality. A representative from Anglo American also provided an overview of what industry is doing to improve air quality.

Weather forecasting

A regional weather forecasting tool was trialed in late 2013 / early 2014 where daily forecasts were sent to each mine providing a forecast of dusty conditions over the next 72 hours. The daily forecasts provided an hourly breakdown, including when 'trigger' dusty conditions were forecast to occur. The triggers were based on specific combinations of temperature, rainfall, lapse rates and wind speed, which were developed by analysing weather conditions associated with higher PM₁₀ levels in the Upper Hunter Air Quality Monitoring Network over a 12 month period.

Whilst the regional weather forecasting tool provided benefits to the mines, most had or were in the process of implementing site level forecast systems specific to their own needs. The Joint Working Group - Emissions and Health have agreed that instead of continuing with the regional forecasting tool, that the project be progressed by each mine agreeing to access its own weather forecast information and NSW Minerals Council collecting information on the forecast systems used. The Joint Working Group for Emissions and Health have also agreed that reporting on the use of weather forecast systems include a qualitative assessment sought from volunteers when dusty conditions are forecast that describes how individual operations use their weather forecasting systems. Each mine will also report on its responses to its separate real time weather system.

Community weather forecast notification

While the weather forecasting project focuses on the proactive steps that operations can take to manage emissions, this project investigated whether better information could be given to the public about coming adverse weather conditions. This project was suggested by community groups including Singleton Shire Healthy Environment Group in 2012.

The Office of Environment and Heritage currently provides community air quality forecasts for Sydney. Expansion of these forecasts to the Upper Hunter seems a logical way to deliver this project, but OEHL advises that at this stage this is at least 18 months away. Whilst a government system may be some time off, it will have independence from industry and credibility with the community. It will also be able to leverage off the existing systems in place for the Sydney forecast and cover a wider range of air quality issues than solely mining-related issues.

The Joint Working Group, through the NSW Minerals Council have written to the Minister for the Environment, Rob Stokes, outlining the community's desire for an air quality forecast for the Upper Hunter and seeking a commitment to have it delivered within a defined timeframe.

Land Management

Grazing study

The Joint Working Group – Land Management has agreed that the aim of the project is the answer the question “*Can rehabilitated mine land sustainably support productive and profitable grazing in the Upper Hunter Valley, NSW?*”.

The Department of Primary Industries (DPI) has designed the project, with input from the mines and the Joint Working Group. The study seeks to replicate a local steer trading operation and steers will be brought and sold during the trial. The steers will be regularly weighed, and baseline tests of the pasture and soil will be undertaken. The steers have had baseline blood testing and will be tested again as they leave the study for sale.

BHP Billiton Mt Arthur Coal and Coal & Allied are participating in the project. The study is now fully operational with steers on rehabilitation sites at both Mt Arthur and Coal & Allied’s Hunter Valley Operations, and their respective control sites, local grazing properties Edderton and Wandewoi. The Mt Arthur steers were recently weighed for the second time and showed similar weight gains on both the rehabilitation site (an average of 1.1 kg per head per day) and the Edderton control site (an average of 0.9 kg per head per day).

DPI has set up a Grazing Advisory Panel, which includes the mines, government agencies and local graziers. The panel will provide advice on the management of the cattle to reflect as local practice as far as practical.

The study will continue for 42 months and regular updates on results will be provided to the Joint Working Group who will monitor and oversee the progress of the study.

Biodiversity reference sites pilot

The project will identify biodiversity reference sites for two Hunter ecological communities. These are communities that are being established on mine rehabilitation. The reference sites will be examples of the communities at different stages. Monitoring will be undertaken at the reference sites on a range of criteria relevant at different stages of the rehabilitation process.

The monitoring will provide benchmarks to assess the development of the same community on mine rehabilitation.

Glencore and Coal & Allied are participating in this project. A consultant was engaged to assess whether the consent conditions of each participating mine to restore these communities would allow sharing of reference sites. They believe this can be done and also provided an estimate of the number of sites that would be needed. The companies now need to consider whether the sharing of reference sites is commercially feasible.

If the project is commercially viable the next step is for the Joint Working Group, the companies and the consultant to work together to develop a reference sites strategy, and then to identify the sites and put in place monitoring.

Rehabilitation Principles and Commitments

The Rehabilitation Principles and Commitments are designed to:

- Provide a set of common principles that will drive improvements to the industry’s performance on progressive rehabilitation and temporary rehabilitation (initiatives like aerial seeding that are temporary and designed to address amenity and dust issues).
- Provide the community with aggregated data on rehabilitation.

The Principles and Commitments have been finalised by the Joint Working Group. They include six principles and a commitment to provide data with regard to rehabilitation and land management annually. Companies are to report against the document each year and data provided is aggregated by the NSW Minerals Council annually to provide a picture of rehabilitation and disturbance across Singleton, Muswellbrook and Upper Hunter local government areas.

The aggregate data shows that the ratio of rehabilitation to disturbance in both 2012 and 2013 was 0.8 (that is 0.8 hectares was rehabilitated for every 1 hectare that was disturbed).

The first reporting took place in August 2014 and is published on the UHMD website:

<http://www.nswmining.com.au/dialogue/rehabilitation-reporting>

Investigation of possible beneficial uses for mine voids in the Upper Hunter

The aim of this project is to identify and the appropriate options for beneficial uses for mine voids in the Upper Hunter. The project has begin with a literature review of international and Australian void reuses. Consideration of the Upper Hunter conditions, environment, geology, void water quality, has also begun. It has become clear that a separate piece of work on void water quality will need to be undertaken and the Joint Working Group has agreed to this. This is in the process of being scoped.

The next step will be a workshop with Joint Working Groups, which will utilize both the literature review and the analysis of the Upper Hunter context to identify acceptable void uses for the Upper Hunter on the basis of social, environmental and economic factors. This is expected to take place early in 2015.

Water

Engagement with Commonwealth Independent Expert Scientific Committee

This project grew out of a call by stakeholders for a water study for the Upper Hunter. With the establishment of the Commonwealth Independent Expert Scientific Committee on Coal Seam Gas and Large Mining Development (IESC), the Joint Working Group – Water agreed that it needed to understand the work being proposed by the IESC before commencing a project.

The IESC has commissioned the Department of the Environment, the Bureau of Meteorology, CSIRO and Geoscience Australia to undertake a bioregional assessment of the Northern Sydney Basin, which includes the Hunter region. The assessment allows the IESC to have a better understanding of the potential impacts of coal seam gas and large coal mining developments on water resources and water-related assets. The assessment will investigate the ecology, hydrology, geology and hydrogeology of the Hunter region. The work will therefore significantly improve the understanding of the cumulative impacts of mining on the region's water resources, providing the community, industry and regulators with information to help better manage water.

Over the past six months, the Upper Hunter mining companies have been assisting with the assessment by providing some of the data that the government requires to inform their assessments.

The Hunter Bioregional Assessment is due for completion in mid-2016. There will be a number of components of the assessment that will be released in stages over the next year and a half, which the Joint Working Group will be reviewing.

Adoption of the Minerals Council of Australia Water Accounting Framework

The aim of this project is to establish a consistent method of accounting for water extraction, use and discharge across the Upper Hunter mines. This project is providing the community, industry and regulators with a clear picture about the industry's water use and is helping to identify opportunities for reuse, recycling and other initiatives.

All Upper Hunter mining operations have implemented Stage 1 of the Minerals Council of Australia Water Accounting Framework - measuring all water inputs and outputs at mines. Some interesting information is already being generated, with an assessment showing that around half of water used on mines sites comes from on-site rainfall and a third of the water is sourced from groundwater sources that are mostly saline and of limited use to other industries or irrigators. The analysis is showing that mines only discharge around 3 per cent of their overall water use back into streams and rivers.

The majority of mines have now implemented Stage 2, which involves developing an operational model of each mine to help the mines identify reuse and recycling opportunities at their sites.

The results of both Stage 1 and 2 will be publicly reported on an annual basis from 2015 onwards.

Water resources map

The community's desire for a water resources map has been recognised since the Dialogue's July 2011 Stakeholder Workshop, where one of the actions was to produce a hydrological map of the whole Hunter Catchment, in order to develop a better understanding of water resources in the region.

The map will be an interactive online map that displays the location and details of water resources, monitoring locations, mines and other landmarks in the region, in a simple and accessible format that also links to external data sources (such as water monitoring data). The map will provide a point of discussion from which further investigations can be undertaken.

The NSW Government has committed to developing this map into an online public mapping system for titles that it is developing called 'Common Ground'. Common Ground aims to be a community resource with detailed information about exploration and mining and mapping of titles and other information. The Joint Working Group is working with the government to incorporate relevant water layers into Common Ground such as water boundaries, monitoring locations, boreholes, and other landmarks in the region.

Hunter River water quality assessment

Concerns around heavy metals and water quality have been raised through the Joint Working Group. In response, and prior to commissioning any assessment of river health, it was deemed important to understand what water testing and water quality analysis was already being undertaken by both industry and government.

At the same time as the project was being scoped the review of the Regulation of the Hunter River Salinity Trading Scheme (HRSTS) and water quality commenced (see also *Other Initiatives* below). The Review provides an overview of the health of the Hunter River and through the review's Discussion Paper. The health of the Hunter River has been assessed, and it was found on average to be 'good'. However there were still uncertainties around the impacts of metals. When the review is finalised, the EPA will be providing recommendations for further research or investigation. This is likely involve understanding the environmental effects of different components of discharged water, which includes its ionic composition and metals. The Joint Working Group is currently awaiting the release of the Draft Regulation and a recommendation paper (to be released with the Final Regulation).

Since there is significant overlap between this proposed project and the Review outcomes, the scope of the project has not yet been defined. Nevertheless, the Joint Working Group remains committed to finding a project in this area that will complement the work being undertaken by government. The project is likely to involve assisting a study into the impacts of metals or other possible contaminants in water that is discharged from mines.

Social Impacts and Infrastructure

Housing study

Until recently the growth of the Upper Hunter's coal sector, was placing pressure on infrastructure, services and the availability of affordable housing.

The study was scoped with guidance of the UHMD Housing Research Steering Group (HRSG), which represents industry, state and local government, community and business. The aim of the study has been to gain a better understanding of the drivers of housing affordability and availability in the Upper Hunter, and identify how government, community, industry and the housing sector can work together. During the course of the study the industry downturn, as well as development coming online, has seen pressure on local housing relieved.

The study was recently completed and has produced a number of reports that will assist housing stakeholders identify solutions to future housing needs.

The final component of the housing study was a workshop with local and state government, business, mining and the housing sector, held in August 2014. Although housing is no longer the crisis issue that it was 18 months ago, the workshop agreed that this breathing space should be used to plan for future growth. Workshop participants developed a first pass housing strategy and agreed that the NSW Government and local government need to drive the strategy.

The Department of Premier and Cabinet (DPC) is now taking the lead for government, by identifying where ideas generated by the Workshop are being addressed by current Government initiatives and where there are gaps. The UHMD HRSG will become inactive, as DPC has agreed to convene the next meeting of stakeholders, including the current members of the HRSG. The mining industry will continue to be an active stakeholder in this process.

The housing study reports are available for download here:

<http://www.nswmining.com.au/dialogue/latest-projects/social-impacts-and-infrastructure/housing-study>

Regional collaboration on infrastructure

Councils in the Upper Hunter have historically received significantly less infrastructure funding than the average for NSW. This is despite 56% of royalties from mining being generated in the Upper Hunter. The aim of this project is for the mining industry, government and local businesses to form a collaborative partnership to seek infrastructure funding for the Upper Hunter area. This would provide a single strong lobbying voice for the region that would be more influential to the State and Federal governments and would therefore hopefully drive increased infrastructure investment in the region.

This project was proposed to the three local councils of the Upper Hunter. Unfortunately the project did not receive support from all of the councils.

Despite this, over the past two years the Upper Hunter region has been receiving significantly more funding for infrastructure projects than it has in previous years. This is as a result of funding flowing to the region from the NSW Government's Resources for Regions program, which has been specifically set up to ensure that more royalties flow back to mining affected communities in NSW.

The NSW Minerals Council (NSWMC), along with the Hunter councils, has advocated to government for the continued funding of the program, including in the last budget when the program received an additional \$57 million in funding¹. The NSWMC CEO sits on the advisory panel, which recommends projects to government. NSWMC will be advocating for the continued funding of the project during the NSW election next year and will be seeking support from the councils in the Upper Hunter.

¹ \$160 million initially committed over four years - increased to \$217 million.