

**NSW MINERALS COUNCIL**

# UPPER HUNTER MINING DIALOGUE

**RESPONSE TO THE ACCSR REPORT  
ON THE STAKEHOLDER SURVEY**



**NEW SOUTH WALES  
MINERALS COUNCIL LTD**  
MININGENUITY™



# ABOUT THE UPPER HUNTER MINING DIALOGUE AND THE STAKEHOLDER SURVEY

Coal mining began in the Hunter Valley in the 1850s. The region has grown into an important centre of regional wealth, supporting many industries including mining, wine making, agriculture, thoroughbred breeding and power generation. The contribution of the Hunter Valley is crucial to both the New South Wales economy and Australian exports.

The Upper Hunter coal industry recognises that as it has grown, it has brought both benefits and impacts. The industry wants to be part of the future of the Upper Hunter, to continue to offer substantial benefits to the community at the same time as minimising our collective impact. We understand that to be part of the future of this community we will need to make changes. How we change and develop needs to be decided with the community and fit within the broader vision for the future of the Upper Hunter.

In response, the region's coal producers – Anglo American, Ashton Resources, BHP Billiton – Mt Arthur Coal, Bloomfield Collieries, Coal & Allied, Muswellbrook Coal, Peabody Energy Australia, Vale Australia - Integra Coal Operations, and Xstrata Coal – commenced the Upper Hunter Mining Dialogue, to listen to, and better understand the community's concerns as an industry. The industry wanted to establish a dialogue with the community about the role of mining, minimising the collective impact of mining in the Upper Hunter and the region's future.

The Australian Centre for Corporate Social Responsibility (ACCSR) was commissioned to undertake a community survey so that the depth and nature of concerns could be better understood. The survey was conducted by ACCSR between October and November 2010. A total of 93 organisations and individual opinion leaders participated.

The results are important for the industry, providing us with a clear indication that there is a high degree of concern that we need to thoroughly understand and respond to.

Working through these issues with other industry and community representatives is one of the most important priorities for us in 2011 and beyond.

Understanding the results of this survey is the first step in what will be a considerable journey for the industry and the community. Whilst the survey found areas of difference, all participants agreed on the need to act collaboratively. We welcome this commitment to collaboration and we share it. We see this as an opportunity to work on developing and implementing solutions with participation from both industry and the community.

The purpose of this brief report is to share a summary of the results from the ACCSR Report and to set out the proposed next steps of the dialogue.

We thank those who participated in the survey, including community members of mine community consultative committees, environmental interest groups, community and residents groups, federal, state and local government representatives, industry and business representatives, coal mining companies and individual mine operators and staff.

## WHERE CAN I READ A COPY OF ACCSR'S REPORT ON THE STAKEHOLDER SURVEY?

A copy of ACCSR's Report on the Stakeholder Survey can be found online at <http://www.nswmin.com.au/uhmd/asp>. A detailed overview of the study method is available the ACCSR Report. Hard copies of the Report are available to read at the Muswellbrook, Singleton and Denman libraries.

# SUMMARY OF THE KEY FINDINGS OF ACCSR'S REPORT ON THE STAKEHOLDER SURVEY

The industry acknowledges the key findings of the survey, which are set out below. While many of these findings will challenge the industry, we recognise that the community is concerned and that we need to understand and act on the concerns.

- Stakeholders, including those from the mining industry, recognise that cumulative impacts from mining exist.
- Most stakeholders agree that in order to address the cumulative impacts of mining it will be important for all stakeholders to work together.
- Stakeholders have a negative perception of the mining industry as a whole. However, stakeholders rated their relationships with individual companies more favourably.
- Dust and air quality, and employment opportunities and development, were the two most frequently mentioned topics. More broadly, issues relating to environment, health and safety, the economy, employment and income were raised most often by participants.
- The study suggests that the community is comprised of different groups which do not always agree on what needs to be done. In some cases, the various groups do not yet have strong enough relationships with one another to work together effectively.
- Bridging the divide between these groups will be a key challenge in developing solutions to the cumulative impacts of mining.



# RESPONSE TO KEY FINDINGS

While the industry aims to demonstrate its commitment to managing our environmental impacts and working with our local communities, the feedback from the survey clearly shows us that we have much more work to do.

We realise that we must consider the footprint of the whole industry in the region and we are committed to acting together to respond to the community's concerns. We want to continue to be a part of the future of the Upper Hunter Valley and we realise that this will often mean doing things differently.

- We believe that the actions of individual mine operations contribute to cumulative impacts in the community.
- We recognise the concern about the cumulative impacts of mining and the scale of the industry's growth in the Upper Hunter.
- We are also concerned about the issues raised most by the community such as dust and air quality and other impacts of growth on the community.
- We believe it is vital that the industry and the community work together to identify ways of addressing concerns highlighted in the survey.
- We agree that the industry as a whole must improve its reputation. Individual operators have many very good individual relationships with stakeholders and the broader community. We believe these relationships can form the basis of better collaboration, for the industry as a whole, in the future.

## WHAT IS THE MINING INDUSTRY DOING IN RESPONSE TO THE REPORT?

We have learned that one of the most important things the industry needs to do is work better together toward minimising impacts, using our resources more effectively and making it easier for the community to work with us. As a first step, we have set up an Upper Hunter Mining Dialogue Steering Committee with senior members from all of the region's coal producers to oversee and drive our efforts to work more effectively together as an industry. The steering group will oversee three industry working groups which are dedicated to finding ways to address the priority issues identified by the community in the survey:

- Environmental Working Group – to look at ways to better address dust, air quality and water issues.
- Rehabilitation and Land Management Working Group – to find ways of working more strategically on rehabilitation planning and land management.
- Community Working Group – to bring together the mining industry and community groups to share research and resources on issues such as social infrastructure and other social issues.

Members of these groups will be environment and community practitioners with relevant specialist skills. The working groups will be reaching out to stakeholder groups, including agricultural, community and environmental groups, to listen to and further discuss concerns and importantly, to discuss ways of addressing the issues.

We will also continue with work we have already started to address cumulative impacts including "industry first" research into dust suppressants for haul roads, working with the NSW Department of Environment, Climate Change and Water on dust management practices and funding the continued roll out of the Upper Hunter Air Quality Monitoring Network.

## HOW CAN I BE INVOLVED?

Over the next six months the Upper Hunter Mining Dialogue will offer opportunities for the broader community to be involved. We will advertise events in the Singleton Argus, Muswellbrook Chronicle and the Hunter Valley News, but if you would like to ensure you receive updates, please sign up for our email alerts by emailing [miningdialogue@nswmin.com.au](mailto:miningdialogue@nswmin.com.au) or contacting Chrissie Clarke on (02) 9274 1423.

If you would like to give us your feedback you can do so by emailing [miningdialogue@nswmin.com.au](mailto:miningdialogue@nswmin.com.au), or by writing to us at: Upper Hunter Mining Dialogue, PO Box A244, SYDNEY SOUTH NSW 1235

# ANALYSIS OF THE SURVEY DATA

Analysis of the data gathered in the survey can be found in the ACCSR Report. Below are some of the important pieces of data that led to the key findings above.

## WHAT ISSUES MATTER THE MOST?

Participants were asked questions to understand the issues of most importance to them in relation to coal mining in the Upper Hunter.

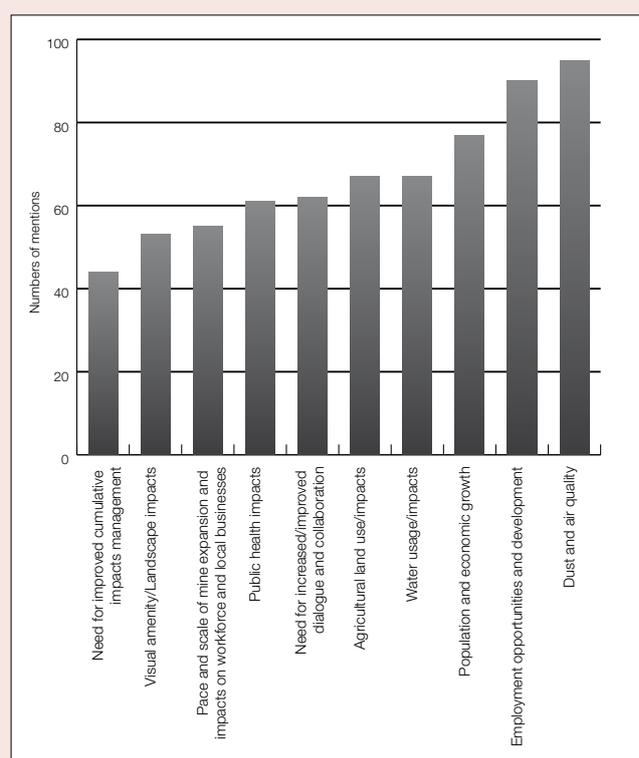
## INDUSTRY'S SOCIAL LICENCE TO OPERATE

A social license to operate is an overall measure of the community's sentiment towards a project, company or industry. It is an intangible measure of acceptance that can change over time. Figure 2 below ranks the social licence to operate of the mining industry in the Upper Hunter in four categories. It shows which groups of stakeholders provide which level of social licence to operate.

Individual stakeholders have been grouped into broader stakeholder categories. You can see which stakeholders are in each category on the last page of this document.

Most groups continue to provide the industry with a social licence to operate, but it is at a low level.

Figure 1: Issues in order of importance



(Source: Upper Hunter Mining Dialogue: Report on the Stakeholder Survey, ACCSR)

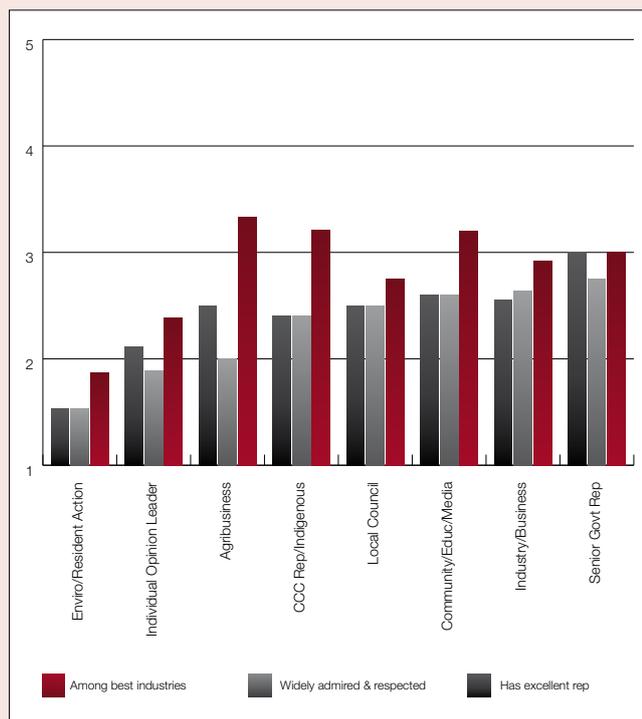
Figure 2: Social licence to operate

Level	Range	Indicators
Co-ownership	4.5-5.0	The community has very high trust in the industry. At this level of social licence the community will advocate for industry to others.
Approval	3.5-4.5	The community approves of the industry and will be supportive of the development of new projects.
Acceptance	2.5-3.5	At the acceptance level the community listens to the industry and considers its proposals. At the higher end of the acceptance level of social licence the community may request more information and take a 'wait and see' approach.  At the lower end of the acceptance scale the community sees that the industry respects the community's right to know and local norms.
Withheld/withdrawn	1.0-2.5	When social licence is withdrawn the community wants to stop progress on projects. Blockades and protests can result.

- Government, industry, CCC, indigenous
- Individual opinion leaders, media, community groups
- Environment and resident's action groups

# ANALYSIS OF THE SURVEY DATA (CONTINUED)

Figure 3: The mining industry's reputation



(Source: Upper Hunter Mining Dialogue: Report on the Stakeholder Survey, ACCSR)

## WHAT DO STAKEHOLDERS THINK ABOUT THE MINING INDUSTRY'S REPUTATION?

Participants were asked to rate the mining industry on each of these statements:

- Compared to other industries in the Upper Hunter, the coal industry is among the best.
- The coal industry in the Upper Hunter is widely admired and respected.
- The coal industry in the Upper Hunter has an excellent reputation.

Survey participants were asked to rate their agreement with the statement, with 5 being the highest level of agreement and 1 being the highest level of disagreement. Ratings of 3 and below represent a negative perception by the community of the industry's reputation. *Figure 3* shows that many stakeholders rate the mining industry well compared to other industries, however, the industry does need to improve its reputation.

The survey results have been very valuable to us as we consider the most practical steps that we can take together toward a more sustainable future for the industry and our place in the region. Our thanks go to all those individuals and groups who participated.

#### **AGRIBUSINESS**

Hunter Valley Water Users Association  
NSW Farmers Association  
Upper Hunter Winemakers Association

#### **COMMUNITY CONSULTATIVE COMMITTEES/INDIGENOUS**

Ashton CCC  
Hunter Valley Operations CCC  
Integra Operations CCC  
Liddell CCC  
Mangoola CCC  
Mount Pleasant Project CCC  
Mt Arthur Coal CCC  
Mt Owen Complex CCC  
Mount Thorley Warkworth CCC  
Muswellbrook Coal CCC  
United Collieries CCC  
Wambo CCC  
Wonnarua Nation Aboriginal Corporation  
Indigenous representative

#### **COMMUNITY/EDUCATION/MEDIA**

Centre for Social Responsibility in Mining  
(University of Queensland)  
Muswellbrook Neighbourhood Service  
Muswellbrook Police and Citizens Youth Club  
Muswellbrook Visitor Information Centre  
Singleton Argus

#### **ENVIRONMENT AND RESIDENTS' ACTION GROUPS**

Broke/Bulga Landcare Group  
Bulga Milbrodale Progress Association  
Conservation Volunteers Australia  
Greening Australia  
Group (requested anonymity)  
Hunter-Central Rivers Catchment  
Management Authority (CMA)  
Hunter Environment Lobby  
Hunter Region Landcare Network  
Hunter Valley Protection Alliance  
Muscle Creek Landcare  
NSW Mine Watch  
Rivers SOS  
Singleton Shire Healthy Environment Group  
Wybong Action Group

#### **INDIVIDUAL OPINION LEADERS**

#### **INDUSTRY AND BUSINESS**

Association of Mining Related Councils  
AusIMM – Hunter Branch  
(Australasian Institute of Mining & Metallurgy)  
Construction, Forestry, Mining & Energy Union (Wambo Lodge)  
Denman Chamber of Commerce  
Hunter Business Chamber  
Hunter Region BEC  
Hunter Valley Research Foundation  
Macquarie Generation  
Muswellbrook Chamber of Commerce  
NSW Minerals Council  
Regional Development Australia Hunter  
Singleton Chamber of Commerce

#### **LOCAL COUNCILS**

Singleton Shire Council  
Upper Hunter Shire Council

#### **MINING COMPANIES AND MINES**

Anglo American  
Dartbrook Mine  
Ashton Resources  
BHP Billiton Mt Arthur Coal  
Bloomfield Collieries  
Rix's Creek Mine  
Muswellbrook Coal  
Coal & Allied  
Bengalla Mine  
Hunter Valley Operations  
Mount Pleasant Project  
Mount Thorley Warkworth  
Vale Australia – Integra Coal Operations  
Xstrata Coal NSW – Head Office  
Bulga/ Beltana Mine  
Mangoola Coal  
Mt Owen Complex  
United Collieries  
Ravensworth Underground Mine  
Ravensworth Operations  
Wambo Mine (Peabody Energy Corporation)

#### **SENIOR GOVERNMENT REPRESENTATIVES**

Federal MP  
NSW Department of Industry & Investment  
NSW Department of Health  
NSW Department Environment, Climate Change and Water  
NSW Department of Planning  
NSW Office of Water  
State MP



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