



The Hon. Luke Foley MLC
Leader of the Opposition
Shadow Minister for Infrastructure
Shadow Minister for the Environment
Shadow Minister for Western Sydney

24 March 2015

Stephen Galilee
CEO
NSW Minerals Council
PO Box H367
Australia Square NSW 1215

Re: NSW Mining Beyond 2015 – a plan for the next NSW Government

Dear Mr Galilee,

Thank you for providing the NSW Minerals Council's policy proposals for the 2015 NSW election.

Fixing the planning system

After four years of a Liberal National Government, the planning system for mining has stalled. Processing time has virtually doubled and planning paralysis has cost jobs and industry certainty.

Labor supports a strong mining industry. Mining is crucial to the state's economy and supports thousands of jobs, especially in regional NSW. Labor values mining jobs – mine workers helped build the Labor party – and we know the importance of mining incomes to regional families.

But mines can have significant environmental and social impacts, and there needs to be serious consideration of these factors when making decisions about mining development applications.

The challenge for a state government is striking the right balance, to ensure we get the economic benefits of mining, as well as protect communities and the environment. I believe that can be done.

I am very critical of the Baird Government's decision to put economic benefits above social and environmental concerns. Labor will bring back genuine triple bottom line assessments to return to genuinely balanced consideration of the three criteria – economic, social and environmental.

Further, Labor believes that if the Planning and Assessment Commission is to be a decision making body and not just an advisory body then it must have more formal guidelines and transparent processes, it must also have membership and/or expert advice that reflects the industry being considered as well as community and environmental perspectives.

Mining communities

Labor recognises that communities in our mining regions face added and unique pressures – increased stress to local road infrastructure, greater traffic activity, fluctuating populations and increased costs to local government services.

Labor has heard from mining communities that the Baird Government's 'Resources for Regions' program was badly implemented and poorly administered. Upon forming government in 2011, the Liberals and Nationals remodelled the program into 'Restart NSW', which is sourced from asset sales instead of royalties as they had promised.

Local councils have complained, raising issues such as poor administration and the obscure reasons for the exclusion of some areas from funding. Others have criticised the very short preparation time for project submissions.

Labor is committed to funding 'Resources for Regions' projects in regional NSW, however it is evident the program itself requires better operation.

A Labor Government will review the implementation process and eligibility requirements of 'Resources for Regions' with a view to expanding eligibility among mining communities. Labor is interested in future discussions with mining stakeholders and communities regarding a royalties-based program to boost infrastructure spending in mining regions of country NSW.

A Labor Government will ensure our regions receive the investment in infrastructure they need – without privatising the state's electricity network. Labor's fully-funded infrastructure plan provides an additional \$3 billion for regional and rural NSW, including more than \$1 billion for roads – and these funds are on top of the \$15 billion available for infrastructure in NSW every year.

Labor's plan will invest in schools, hospitals, roads and other infrastructure in regional NSW, supported by reliable and proven sources of funds. Labor's plan will bring fairness to infrastructure funding, with more than 30 per cent of new funding and more than half of the roads funding allocated outside Sydney.

Exploration

Labor is committed to a system of allocation of exploration licences which complies fully with ICAC recommendations, which produces maximum value for the people of NSW but without creating an obligation of approval. Gateway processes have not worked as intended and will be reviewed.

Labor will continue the current level of investment in public exploration under the programs which were initially commenced by Labor in Government.

Trespassing

We recognise that trespassing is dangerous and illegal. NSW residents will always have the right to protest legally but Labor will never condone illegal activity or activity that could endanger lives.

Labor will work with industry, police and environment groups on reforms to protect mine workers while respecting people's right to peacefully protest.

Regulation and taxation

Labor's plan for NSW prioritises investment in our schools and hospitals while maintaining the state's AAA credit rating, keeping the budget in surplus and not increasing debt.

The PBO confirmed that Labor will increase capital expenditure by \$1.3 billion over the forward estimates above what is currently budgeted. This compares to only \$221 million from

the Baird Government. Further, Labor's commitments do not impact the states borrowing – in fact, borrowing goes down by \$70 million, protecting the state's AAA credit rating.

Labor has been able to achieve this through the following savings measures:

- A \$900 million reduction in government spending on consultants and contractors, which has almost doubled under the Liberal Government;
- Deferral of business stamp duty taxes raising \$957 million over the forward estimates;
- A reduction in the number of Senior Executive Staff (SES), saving \$220.3 million;
- Cutting travel, legal advice and advertising by \$152.4 million; and
- Leaner and more efficient government executive – saving \$44.4 million by reducing the number of ministers to 17, cutting ministerial staff numbers by 24.9 FTEs and reducing the number of senior ministers from 8 to 7.

There are no new taxes under Labor's plan, and there will be no increase to mining related levies, taxes and fees to deliver Labor's plans.

Working with industry

Labor has noted the industry action plan and is in agreement with the broad thrust of the draft document. In Government Labor would work with industry to finalise the document and specific commitments or action items from the plan.

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Luke Foley', with a stylized flourish at the end.

Luke Foley
NSW Labor Leader