

1 May 2014

Collin Phillips
Planning and Infrastructure
GPO Box 39
Sydney NSW 2001

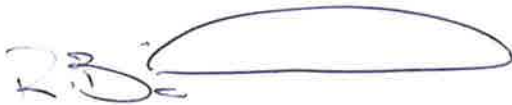
Dear Collin

Coalpac Consolidation Project

Please find attached a further Council submission in relation to the Coalpac Consolidation Project that has been forwarded to the Minister for Planning, The Hon Pru Goward.

Please do not hesitate to contact me should you have any queries in relation to the matter.

Yours sincerely



R W Bailey
GENERAL MANAGER

1 May 2014



The Hon Pru Goward MP
Minister for Planning
Level 34 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

Coalpac Consolidation Project

The Coalpac Consolidation Project is a proposal to consolidate and expand upon two existing coal mines, Cullen Valley and Invincible, in the Lithgow local government area. This mining project is located near the village of Cullen Bullen.

I wish to provide my support for this project. In the past Council had concerns in relation to aspects of the development and subject to appropriate controls being put in place it supports the development of this project.

The concerns that Council had previously were in relation to noise, dust, blasting and a regime of building inspections 'pre' and 'post' blasting. Also, on the basis that mining is not to take place within 500 metres of the village, residents residing outside of the village and the cemetery itself.

I understand that the developer has now put forward yet another reviewed proposal that will see the amount of coal extracted from the site significantly reduced from the earlier applications that were put forward. Previously these concerns had been addressed or would have been addressed through appropriate conditions if the development were to be approved. It is now our understanding that as a result of these concessions by the developer that these impacts will now be reduced further or even removed.

It is my view that this development has very strong support within the community. No doubt there are those detractors, including those from outside the area, but on the whole I strongly feel that there is very strong support within the Lithgow community. With this support I too feel very passionate about the project and of the need for the project to be approved and commenced at the earliest opportunity.

If approved the development would have significant economic benefits to the local area and the region. As you would be aware Mining across NSW generates a multi-billion dollar spend on wages and salaries, ongoing purchases of goods and services, as well as contributions to local communities. Council's Economic Development Strategy acknowledges the crucial role that the mining sector has in underpinning the vitality of the Lithgow LGA economy.

The 2011 Census revealed that 11.6 % of total employment within the Lithgow LGA was provided through the mining industry compared to just 0.6% across NSW. This indicates that any reduction in mining industry employment will have a very significant impact on the Lithgow LGA economy and community well-being.

The recent report 'NSW Mining Economic Impact Survey 2011/12 prepared by Lawrence Consulting in conjunction with the University of Newcastle reveals the magnitude of the spending by mining companies and their ongoing positive contribution to NSW and its regional economies. The report identifies that the direct total spend by full member companies of the NSW Mineral Council was in the order of \$9.32B across NSW and \$858.4M within the Central West statistical division.

The same report also identified that 3,232 direct full time jobs and 11,097 total direct and indirect employee jobs were generated within the Central West through the member companies it surveyed. It noted that out of all the jobs generated by mining in NSW, the Central West had the second highest proportion of the total number of jobs.

Estimates of spending and job creation arising from the proposed Consolidation Project at Cullen Bullen further demonstrates the very significant positive economic benefits this project will deliver to the NSW, Central West region and Lithgow LGA economies.

The previous Coalpac operation at Cullen Bullen, when in full operation, provided a snapshot of the actual spend and employment generated within in the Lithgow LGA and there was a spend of some \$8M on wages to employees residing within the Lithgow LGA alone and another \$34M total expenditure was made to locations within the Lithgow LGA

The figures above reveal the significant scale of the previous Coalpac operation and its importance as a key economic driver for Lithgow and the Central West region. The cessation of production at the Cullen Bullen mine in December 2012 resulted in the termination of 49 positions. Coal recovery ceased at the Invincible Colliery in March 2013 with both mines being placed into care and maintenance mode resulting in the termination of a further 46 Coalpac employee positions. The multiplier effect arising from the major reductions in Coalpac operational spend and 95 terminated positions is becoming evident in other locally operating businesses.

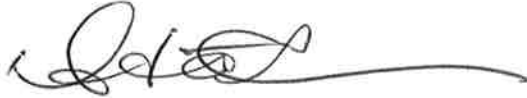
The recent closure of mines within the Lithgow area is directly and indirectly increasing unemployment and significantly reducing spending into regional and local businesses. This is leading to an uncertain investment environment and diminishing community confidence. Continuing loss of local employment opportunities will erode population growth in Lithgow and further reduce demand for local goods and services. This is not a sustainable scenario for the future of Lithgow.

The advancement of the proposed Coalpac Consolidated project with its now significantly reduced lifespan would provide an opportunity to grow the local economy, provide ongoing employment and ensuring the well-being and resilience of our community into the future.

Whilst the project is not a large project in terms of State development it is a development that will have a significant impact on the Lithgow Local Government Area and the Bathurst Electorate. The project will provide over 100 direct jobs to the area and this of course will provide a very significant flow on affect to the community.

Please do not hesitate to contact me should you have any queries in relation to this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Maree Statham', with a long horizontal flourish extending to the right.

Clr Maree Statham
MAYOR