



Department of Primary Industries

OUT13/14879

26 JUL 2013

Ms Caitlin Elliott
Senior Planner
NSW Department of Planning and Infrastructure
GPO Box 39
Sydney NSW 2001

Dear Ms Elliott

Thank you for your correspondence of 6 June 2013 concerning the review of the Agricultural Impact Statement (AIS) and the Environmental Assessment (EA) for the proposed Atlas-Campaspe Mineral Sands Project.

The Office of Agricultural Sustainability & Food Security (OAS&FS) has reviewed the AIS provided by Cristal Mining Australia. Specific issues are included in Attachment 1 enclosed. A brief summary follows:

- Provided that the final landform of the disturbed areas is confirmed there are no outstanding or ongoing agricultural issues;
- There are some socio-economic issues that require further clarification including two possible conditions of consent for your consideration.

This advice from the Office of Agricultural Sustainability & Food Security is forwarded direct to the Department of Planning & Infrastructure in accordance with agreed arrangements for mining applications that affect agricultural land.

Additional advice from the other divisions within the Department of Primary Industries may be forwarded by separate letter.

If you wish to discuss the issue further please call Liz Rogers on telephone 02 63913642 or by email liz.rogers@dpi.nsw.gov.au.

Yours sincerely

Dr Regina Fogarty
Director Office of Agricultural Sustainability & Food Security
Encl

Specific Agricultural Impact Assessment Issues

The average scale at which the soil survey was conducted is around 1:63 000. Whilst this is at a considerably broader scale than the recommended 1:25 000, given the location of the project in a relatively arid environment is suited to broadscale grazing (state Land and Soil Capability of Class 6), this information was considered sufficient.

The removal of 16,540 ha of low intensity grazing land to permanent conservation is an acceptable loss of agricultural production given the productivity of the proposed project.

The final landform of the 4418 ha within the disturbed area is unclear. Clarification is required as to whether this will be returned to agriculture after mining operations have been completed. It is assumed that the 60ha disturbed by the Ivanhoe rail facility will not be returned to agriculture.

Specific Socio-Economic Impact Assessment Issues

The following provides a review of the socio-economic component of the AIS provided as part of the Atlas-Campaspe Mineral Sands Project EIS. The AIS and supporting documentation were reviewed with reference to the following material: Strategic Regional Land Use Policy Delivery Guideline – Guideline for AISs (March 2012), AIS Fact Sheet (September 2012), and the Strategic Regional Land Use Policy Guideline for AISs (Re-issued October 2012).

Two possible conditions of consent are identified relating to the social impacts of the project and the impact on regional roads used by the agricultural community.

Condition 1:

A social impact management plan should be developed by the proponent that details and formalises processes and timelines for the proponent's commitment to social impact mitigation and management.

Condition 2:

The proponent should be required to develop a formal monitoring program in conjunction with partner local councils to proactively manage road maintenance needs.

1. Impacts on agricultural enterprises, including farm productivity, land values and flow on impacts to regional communities and the environment.

a) Farm productivity

Data reported in the EA indicates that there will only be a minimal change to farm productivity in the area affected by the development and offset areas. The project will result in 16,540 ha of western land lease lands being converted into conservation lands (with the potential for this to increase to 21,018 ha subject to a decision on post-mining land use). The proponent claims that this will have minimal impact on agricultural productivity in the region.

b) Land values

Owing to the scale and size of local land holdings, minimal impact on local land values is expected, according to the proponent. We have no evidence to believe otherwise.

c) Flow on impacts to regional communities

The proponent claims that increased economic activity as a result of the project is expected to deliver positive outcomes for local communities. The proponent indicates that it will work in partnership with relevant local councils and communities so that the benefits of the projected economic growth in the region are maximised and impacts minimised, as far as possible. These commitments are reiterated in Appendix I – Socio-Economic Assessment (page 50) where a number of social impact mitigation and management measures are discussed. However, the information provided is not of sufficient detail to assess whether these measures are adequate.

For example, in the discussion of social mitigation actions, there is no indication of what the “current donations policy” means or what the “code of conduct for construction workers” may include. The “code of conduct” is also not mentioned after the construction phase is completed.

It is recommended that as a condition of consent, a social impact management plan be developed that details and formalises processes and timelines for the proponent’s commitment to social impact mitigation and management. The social impact management plan should identify a management framework for working with local councils and communities to address potential social issues identified in the EIS and to provide a mechanism for community feedback. The social impact management plan should also detail the proponent’s level of financial sponsorship and include a budget for the plan’s implementation.

It is indicated that there will be a significant increase in traffic movements associated with the project. In Section 3.7 of Appendix D – Road Transport, it is indicated that there are “no regular public bus routes operating along the proposed mineral concentrate transport route” (page 21). However, it isn’t specifically stated whether school buses use this route, which could be affected by potential road surface deterioration and/or high traffic volumes. This should be clarified.

2. Any water that is transferred or will no longer be available for agricultural use.

The proponent holds 21,442 shares of the total available 21,572 shares in the Western Murray Porous Rock Water Source. In this Water Source, it is reported that there is only a limited history of agricultural use with this ground water being of generally poor quality. As a result, only minimal impact on agriculture is expected.

3. Impacts on agricultural support services, processing and value adding industries and regional employment.

a) Agricultural support services

The proponent has indicated that minimal impact is expected.

b) Processing and value adding industries

The proponent has indicated that minimal impact is expected.

c) Regional employment

The proponent claims that the project is expected to result in positive outcomes for regional employment in the short to medium term.

4. Impact on visual amenity, landscape values and tourism infrastructure relied upon by local and regional agricultural enterprises.

a) Visual amenity

Minimal impact is expected for agricultural-related activities. However, it is noted that there may be rural tourism impacts on the adjacent Mungo National Park and World Heritage Area.

b) Landscape values

Minimal impact is expected for agricultural-related activities. However, it is noted that there may be rural tourism impacts on the adjacent Mungo National Park and World Heritage Area.

c) Tourism infrastructure

The project is expected to increase use pressures on regional roads. The proponent has indicated that they are negotiating with local councils regarding potential contributions to the upkeep of regional roads.

As a condition of consent, the proponent should be required to develop a formal monitoring program in conjunction with partner local councils to proactively manage road maintenance needs.

5. Mitigation measures for minimising adverse impacts on agricultural resources, including agricultural lands, enterprises and infrastructure at the local and regional level.

a) Agricultural lands

The proponent has indicated that minimal impact is expected.

b) Agricultural enterprises

The proponent has indicated that minimal impact is expected.

c) Agricultural infrastructure

Local agricultural enterprises are reliant on the regional road network. The project will result in an increase in road movements in the region, placing greater pressure on roads and increasing road maintenance requirements.

As a condition of consent, the proponent should be required to develop a formal monitoring program in conjunction with partner local councils to proactively manage road maintenance needs.

6. Documented consultation with adjoining land-users and Government Departments.

Sufficient information is provided.