



# Draft SEPP (Mining, Petroleum Production and Extractive Industries) Amendment (Significance of Resource) 2015

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Submission July 2015

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## Introduction

The Hunter Region has long held the reputation as the powerhouse of the NSW economy and ranks highly as one of the most valued, diverse and resilient regions in Australia.

The Hunter Business Chamber is the largest regional business chamber in Australia and was established in 1886. The Chamber represents around 2,000 member businesses to all levels of government. The Chamber is the peak industry association in the Hunter that represents all sectors of business in the region.

The Hunter Business Chamber welcomes the opportunity to provide a brief submission to the Draft State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) Amendment (Significance of Resource) 2015.

## Key points

A crucial component of the Chamber's focus is involved in advocating for government policy settings which support business in the region and create the best possible environment to encourage investment and employment opportunities in the Hunter. Whilst the Chamber advocates for opportunities to diversify the regional economy, it also recognises that the mining industry is key to the region's economic prosperity.

The Chamber is conscious of the need to balance mining with competing land uses in our region but strongly believes there is a place for mining in the future regional and state economies of NSW.

The economic output from this industry and its extensive supply chain cannot be underestimated. The mining industry provides regional and state economic contributions worth billions of dollars each year. It also provides employment to many tens of thousands of people across a range of industry sectors and support services, including the small business sector.

The Chamber is aware that this Draft SEPP intends to repeal Clause 12AA from the SEPP (2007). This clause was introduced in 2013 to ensure that the significance of a mineral resource was given specific and appropriate consideration in the decision making process for mining related development applications. It causes great concern that this clause would now be removed.

Without the inclusion of this clause, there is no explicit requirement in planning legislation for the significance of the resource to be considered when determining a mining related development application. The repeal of Clause 12AA will not restore balance in the planning system, it will create greater imbalance because state and regional economic benefits will not be considered in the assessment process.

The repeal of Clause 12AA will create even greater uncertainty in the planning process for applicants and will put jobs, business confidence and investment at serious risk. Local, regional and state communities will heavily feel the weight of this impact.

We would express concern also that the repeal of this clause may have serious impact on projects currently in the system due to no transitional arrangements being in place and potential for retrospective impacts.

If clause 12AA is repealed, the only remaining reference to considerations of the economic impacts of a mining project will be contained in section 79C of the Act, which refers only to the economic impacts on the locality and does not include consideration of the significance of the resource for the region or state.

The Chamber asks that consideration be given to the following:

- Instead of repealing clause 12AA in its entirety, this could be amended to repeal subclauses 12AA (4) and 12AA (5). This would remove the requirement for the significance of the resource to be the 'principal consideration' under Part 3 of the Mining SEPP but still ensure the significance of the resource remains a factor to be considered.
- Appropriate transitional arrangements be adopted that also ensures any changes are not retrospective in their impact.

## Conclusion

The Chamber believes that regional and state communities benefit immensely from the mining industry and it is inappropriate to remove all consideration of this from planning assessment processes.

The Hunter has a rich and diverse economy and there is a place in its future for a broad range of industries and land uses, however this does not have to be to the detriment of the mining industry. A balance can be had and the Mining SEPP should also provide a balanced approach to consideration of applications.

The Chamber believes that the above option will help to clarify incorrect perceptions that economic factors are the 'principal' consideration.

The Chamber is pleased to engage with the NSW Department of Planning and Environment, if required, to expand on the points contained within this brief submission.

## Contact

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