

State freezes exploration licences for new mining

Sean Nicholls, Ben Cubby

May 21, 2011



Tony Pickard ... his Narrabri property is wanted for coal seam gas mining. *Photo: Dean Sewell*

A 60-DAY freeze on new exploration licences for coal, coal seam gas and petroleum has been announced by the NSW government in a push to resolve the escalating conflict between farmers, miners and conservationists over land use.

The need for a moratorium was questioned by the state's mining industry, which said billions of dollars in investment were at stake, but it said it broadly supported the development of a new approach to avoid conflict over valuable land.

The Minister for Planning, Brad Hazzard, announced the initial stage of the government's strategic regional land use policy yesterday, which was promised before the state election.

Under transitional arrangements, exploration licence applications after the moratorium will need to be exhibited for public comment for the first time and applications for extraction licences must be accompanied by an agricultural impact statement.

An 11-member reference group comprising representatives of business, agricultural, environment and Aboriginal groups will be established to advise on the development of the final policy.

It will be based on the establishment of regional strategic plans to set out a "tailored approach" for each region, to be established within 12 months.

The first of them will target conflict hotspots such as the Hunter Valley and Upper Hunter, Liverpool Plains and the southern highlands.

Mr Hazzard said the new policy would be "fair dinkum, honest and transparent" but described its development as a "balancing act".

He said business might "wonder" about the new policy but it would provide business with greater certainty.

Under the previous policy, exploration licences were granted without a rigorous analysis of their appropriateness, leaving companies open to disappointment when they progressed to applying for an extraction licence.

"It might have been all right 200 years ago to start whacking in a bit of mining somewhere and a bit of this and a bit of that," Mr Hazzard said.

"But as the state grows and as the population grows, the intensity for conflicts is just there every day. We have no choice. I think this will prove to be a policy that will become a blueprint for every other state in the country."

The acting chief executive of the NSW Minerals Council, Sue-Ern Tan, welcomed more transparency in the assessment of mining leases, but opposed the 60-day freeze.

"It is not clear what this moratorium will achieve and we will be seeking further information from the NSW government," she said.

But the moratorium was appreciated by some farmers who have been caught up in the mining debate because minerals have been found under their land.

Among them is the Narrabri grazier Tony Pickard, who first heard about a plan for the state's biggest coal seam gas operation when he saw a map on a government website, with red dots indicating the proposed coal seam gas wells on his property.

"I just saw a map of my land, with dots on it - that was the first I heard of the plan because the company hadn't told me," Mr Pickard said.

Eastern Star Gas, a company chaired by the former deputy prime minister John Anderson, plans to sink up to 550 coal seam gas wells in the Pilliga Scrub area about 20 kilometres south of Narrabri. Its plan is being scrutinised by the state and federal governments.

An Eastern Star spokesman, Peter Fox, said a moratorium on mining on agricultural land would not affect the project, because the area spanned by the gas wells covered non-agricultural land and this could be developed first.

Mr Fox said Mr Pickard would be approached with a compensation offer if the plan was approved, but it would not want to force anyone to have their land mined.

Read more: <http://www.smh.com.au/nsw/state-freezes-exploration-licences-for-new-mining-20110520-1ewos.html#ixzz1NFf4NnkW>

