

COMMITTEE
FOR THE
HUNTER

ROYALTIES FOR REJUVENATION

Draft Mining and Petroleum Legislation Amendment Bill 2021

FEEDBACK SUBMISSION



Department of Regional NSW
Policy Section
meg.policy@regional.nsw.gov.au

21 January 2022

Thank you for the opportunity to make a submission on the draft *Mining and Petroleum Legislation Amendment Bill 2021*. This submission focuses on the amendments establishing the Royalties for Rejuvenation Fund and Expert Panel (Schedule 1[124]).

A unified voice for the Hunter

The Committee for the Hunter (the Committee) is an independent and inclusive champion for the people of the Greater Hunter and their enterprises. Representing over 60 organisations including some of the largest employers and institutions in the region, we provide a unified voice for the Hunter. Our members are drawn from the private and community sectors and all three levels of government. We come together with a shared interest in building a sustainable, prosperous and equitable future for our region. The Committee delivers on that promise through advocacy, thought leadership and providing a platform for collaborative action.

The diversification of the Hunter economy is the most significant priority of the Committee and our members.

More information about the Committee can be found at www.hunter.org.au.

Supporting Hunter communities to prosper through economic change

The Committee welcomes the NSW Government commitment to support coal mining communities and businesses experiencing economic change through the Royalties for Rejuvenation fund.

As the nation's largest regional economy producing 63 per cent of the State's energy needs, the Hunter has powered the NSW and national economy and delivered higher standards of living for citizens for decades.

It is fair that Hunter communities will now benefit from a dedicated investment in their future with locals at the centre of decisions.

Feedback on the draft Mining and Petroleum Legislation Amendment Bill 2021

The Committee's feedback focuses on the amendments establishing the Royalties for Rejuvenation Fund (Schedule 1[124]) (the Fund).

Affected communities

The object set out in Section 292W(1) refers to coal mining regions affected by a transition from coal mining. The scope should be expanded to include communities affected by the decline of coal fired electricity generation.

Coal mining and coal fired power generation were established in the Hunter together where power plants were placed proximate to rich coal resources. They are interdependent and continue to provide services to each other.

In some communities, many generations of families have worked in coal fired power plants and are now facing an uncertain future. These communities and workforce are significantly impacted by a transition to low carbon and clean energy and deserve support. If this skilled and experienced

workforce need to leave the region to find work, it will be much harder for the Hunter economy to grow and absorb the impacts of changes in coal industries, including the mining sector.

Confining the Fund to coal mining risks dividing Hunter communities rather than uniting us under a shared vision and a plan for a prosperous and equitable future.

Object

Amend to incorporate detrimental social impacts in addition to economic impacts (292W(1)).

Geography

Businesses and communities affected by change in coal industries extend beyond the Upper Hunter. Local coal supply chains run through the Lower Hunter and to the Port of Newcastle. Businesses that provide essential services to coal supply chains are located across the 10 LGAs that make up the Greater Hunter region. These businesses, their workforce and the economic activity they generate are also impacted by the transition from coal.

Without support to diversify and grow, the loss of jobs and economic activity in businesses participating in coal supply chains have the potential to be significant.

The scope of the Fund and potential investments should apply to the Greater Hunter region (Section 292W(8 & 9)).

Funding certainty

Noting the Fund is dedicated to coal mining communities in NSW, consider partitioning a dedicated envelope of funding for the Hunter region relative to the size of our coal industries, affected workforce and scale of impacts to ensure equitable allocation.

Reporting

The proposed Annual Report should include details on performance against outcomes of investments of the Fund as set out in the Object (alleviate detrimental economic impacts) in addition to amounts paid from it (Section 292W(7)).

Expert Panel

The functions of the Expert Panel include providing advice to the Minister at request and make recommendations about payments from the Fund (Section 292X(2)).

The Committee supports an advisory role for the Expert Panel and recommends:

- Providing the Expert Panel with powers to initiate advice to the Minister not just on request (Section 292X(2)(a & b)).
- That advice from the Expert Panel on payments from the fund be publicly published, providing transparency and accountability.
- That the Expert Panel provide advice to the Minister on other matters that impede or promote the object of the Fund set out in Section 292W(1).

Conclusion

We commend the NSW Government for listening to communities of the Hunter on the need for support and resources as our economy changes, and providing them with a platform to be at the centre of decisions on the Fund. The Expert Panel will help ensure priorities for the fund are targeted and effective and that there is local buy-in to decisions. In return, it will promote shared accountability for the delivery of agreed priorities - across our communities, businesses, councils and local leaders, working in partnership with the NSW Government.

If you would like to discuss this submission please contact Alice Thompson, CEO Committee for the Hunter on +61 490 688 125 or ceo@hunter.org.au.