



# **STAGE 2 MINING AREA COMMUNITY INVOLVEMENT PROGRAM REPORT**

*Prepared for*

**AUSTAR COAL MINE PTY LTD**

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1.0 INTRODUCTION

Austar Coal Mine Pty Ltd is applying for subsidence management approval for longwall mining in the Stage 2 Mining Area (**Figure 1**). The Stage 2 Mining Area comprises three Longwall Panels which are located in the Greta Seam of the Austar Coal Mine.

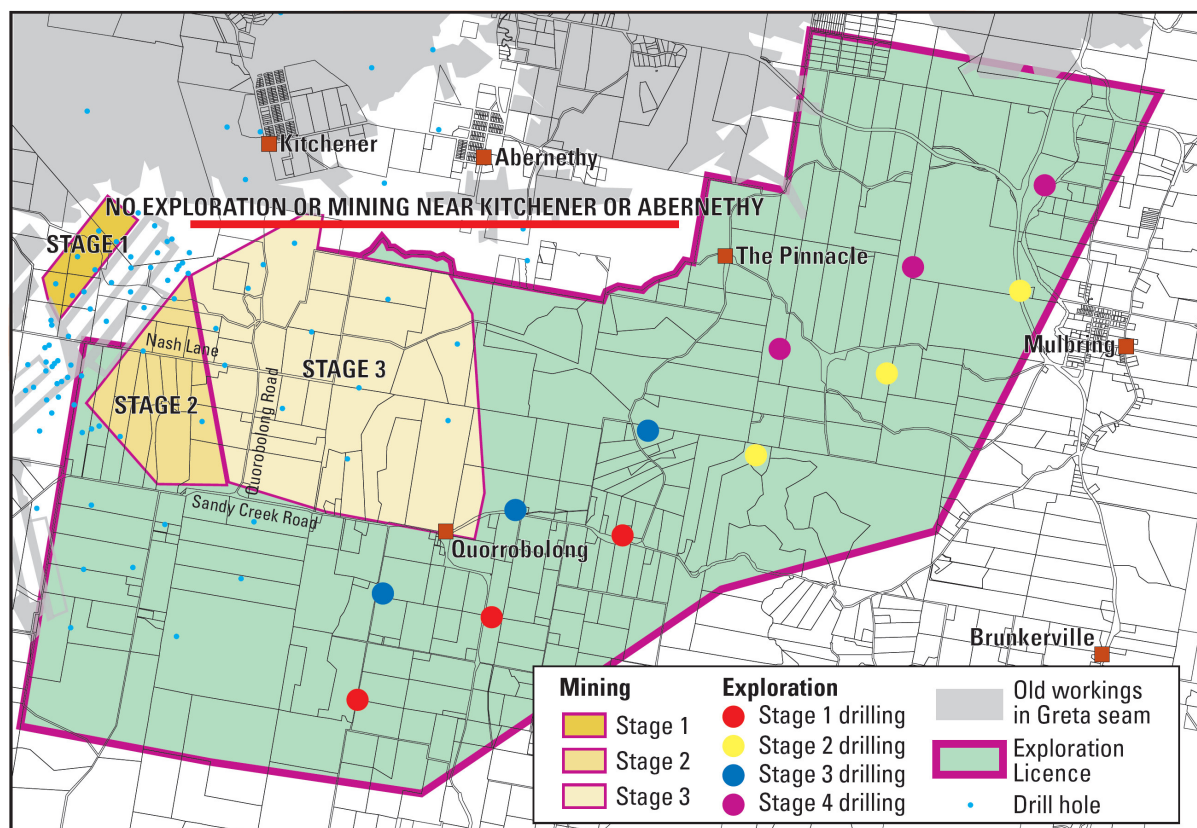


Figure 1.0 Austar mining area map

Subsidence management approval is required by a condition of the Mining Lease and is administered by the Department of Primary Industries - Minerals (DPI). The subsidence management application is required to be supported by a Subsidence Management Plan (SMP) for the project. The specific requirements for SMPs are described in the *Guideline for Applications for Subsidence Management Approvals – DPI, 2003*.

The SMP guideline requires the following tasks to be completed:

- Longwall mining subsidence predictions;
- Identification of natural and man-made features that could potentially be affected by subsidence;

- Assessment of the effects of subsidence on the identified features;
- Development of management and mitigation measures for significant subsidence effects; and
- Consultation with relevant stakeholders, including landowners directly affected by subsidence.

The SMP for Stage 2 Mining Area will include submission of Property Subsidence Management Plans (PSMPs) for all privately owned properties potentially affected by subsidence.

This report provides a profile of the local community and a summary of the consultation activities undertaken with both landholders, in proximity to the proposal, and community groups within the broader Cessnock community; including a summary of the issues raised through those consultation activities up until November 2006.

Consultation was also undertaken by Austar management with landholders likely to be directly affected by the Stage 2 mining proposal through a series of meetings to develop private agreements with those landholders. Meetings were also held between Austar management and key stakeholders such as local and state government and infrastructure service providers. A summary of consultation activities undertaken by Austar is provided in the Subsidence Management Plan document.

Consultation activities related specifically to the development of PSMP's for landholders affected by subsidence are contained in each relevant PSMP.

It should be noted that this report does not outline the process for the provision of information to the community on outputs of the environmental assessment undertaken for the SMP, or the strategies that may be employed by the company to address the issues raised. It is recommended that such consultation is conducted by Austar to ensure that issues are adequately addressed and that local residents and community groups have a full understanding of the company's proposal and its intended management strategies.

## **2.0 BACKGROUND AND METHODOLOGY**

In the preparation of the Subsidence Management Plan (SMP) for the Austar Coal Mine, consultation was undertaken, in the period April 2006 to December 2006, with a number of stakeholders. Consultation activities included:

- Discussion with landholders with properties located in Stage 2 of the proposal (11 in total);
- Key stakeholder meetings were undertaken by Austar management involving representatives of local and state government;
- An open Information Day covering key areas of concern;
- Meetings with community Groups within the broader Cessnock area (12 in total), and
- Distribution of a series of 5 information sheets to residents in the nearby locality in the areas of Ellalong, Kitchener, Paxton, Pelton and Mulbring (Approx 1200 in total).

All stakeholders were provided with information sheets which outlined the company's intent in relation to the project and which outlined the process required for government approval of the mining proposal (refer to Appendix A for copies of relevant communication materials).

### **3.0 COMMUNITY PROFILE**

This section of the report provides an overview of the social context in which the proposal is based. The Austar Stage 2 Mining Proposal falls within the Cessnock City Local Government Area (LGA) and is located in proximity to the townships of Bellbird, Paxton Village and Ellalong. The community profile considers the project area within its geographical, historical and social context. It contains the following sections:

- Geographical Location and characteristics
- Local History and Trends
- Population Characteristics and Trends
- Socio Economic Characteristics
- Infrastructure and Services
- Governance
- Community Issues

The report focuses on the Local Government Area (LGA) of Cessnock in which the townships of Bellbird, Paxton Village and Ellalong are located, using data collected at the time of the last Australian Bureau of Statistics census (2001). The 2001 information is compared with 1996 data where appropriate

#### **3.1 GEOGRAPHIC LOCATION AND CHARACTERISTICS**

The project area is located in proximity to the localities of Bellbird/ Bellbird Heights, Paxton Village and Ellalong which are located in the Local Government Area of the City of Cessnock, which covers approximately 1950 square kilometres within the Hunter Region of New South Wales. A map detailing the location of township is depicted in Figure 3.1.



**Figure 3.1: - Cessnock LGA Location Map**

Source: [www.lpi.nsw.gov.au](http://www.lpi.nsw.gov.au)

Cessnock is a sub-region of the Hunter Valley, approximately 120 kilometres north of Sydney, 40 kilometres west of Newcastle and 30 kilometres from the coast. A large proportion of the region is State Forest and National Park.

The City of Cessnock is bounded by Maitland City in the north, Newcastle and Lake Macquarie Cities in the east, Wyong Shire and Gosford and Hawkesbury Cities in the south and the Singleton Council area in the west.

The City of Cessnock LGA has two main townships, Cessnock and Kurri Kurri, with much of the population concentrated in a thin urban belt between these two townships. The Cessnock LGA also includes the localities of:

- Aberdare
- Abermain
- Abernethy
- Allandale
- Anvil Creek
- Big Yengo
- Bishops Bridge
- Black Hill
- Blaxlands Arm
- Boree
- Branxton
- Brunkerville
- Buchanan
- Buttai
- Campbell
- Cedar Creek
- Central Wattagan
- Cessnock
- Clifftleigh
- Congewai
- Crawfordville
- Eglinford
- Elrington
- Greta
- Heaton
- Heddon Greta
- Kearsley
- Keinbah
- Kitchener
- Kurri Kurri
- Laguna
- Little Wallabadah
- Lovedale
- Loxford
- Millfield
- Mootai
- Moruben
- Mount View
- Mount Vincent



- Mulbring
- Murrays Run
- Narone Creek
- Neath
- Nulkaba
- Paynes Crossing
- Pelaw Main
- Pelton
- Pokolbin
- Quorrobolong
- Richmond Main
- Richmond Vale
- Rothbury
- Sawyers Gully
- South Weston
- Spion Kop
- Stanford Merthyr
- Stockrington
- Sweetmans Creek
- Tomalpin
- Watagan
- Weston
- Wollombi
- Yallambie
- Yango

The project area currently lies within the Federal Electorate of Hunter and the State Electorate of Cessnock.

The Federal Electorate of Hunter has existed since Federation, its first member being Australia's first Prime Minister, Edmund Barton. It has been held by the Australian Labor Party since 1910, and includes two former Labor Party leaders amongst its past members, Matthew Charlton 1910-28, and H.V. (Doc) Evatt, 1958-60. Sitting MP Joel Fitzgibbon succeeded his father Eric in 1996.

The Hunter electorate covers an area of approximately 10, 593 square kilometres. Starting in the Hunter Valley around Cessnock, Maitland and Kurri Kurri, Hunter extends west and north up the New England Highway to include Singleton and Muswellbrook.

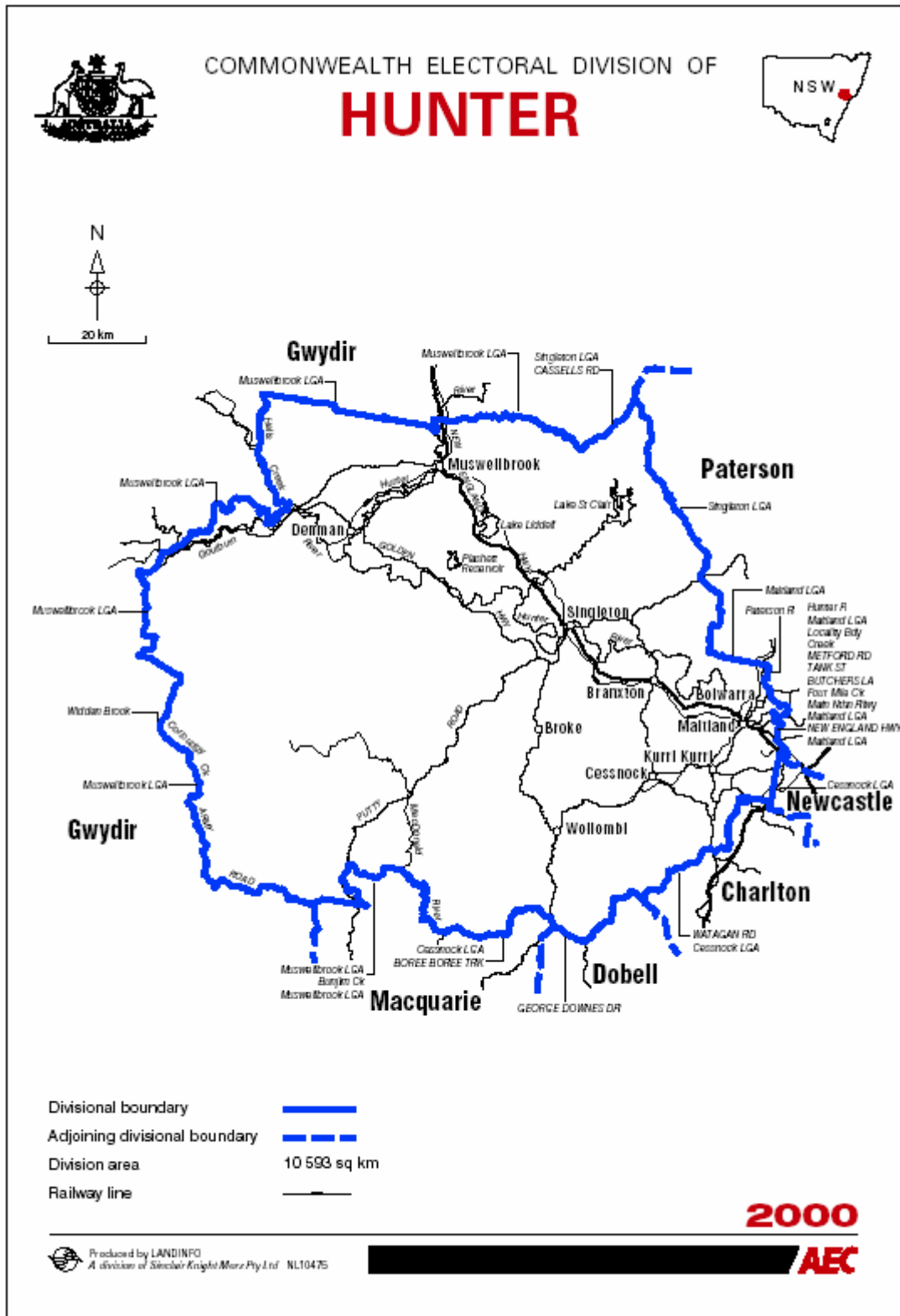


Figure 3.2: - Federal Electorate of Hunter

Source: Australian Electoral Commission, [www.aec.qld.gov.au](http://www.aec.qld.gov.au)

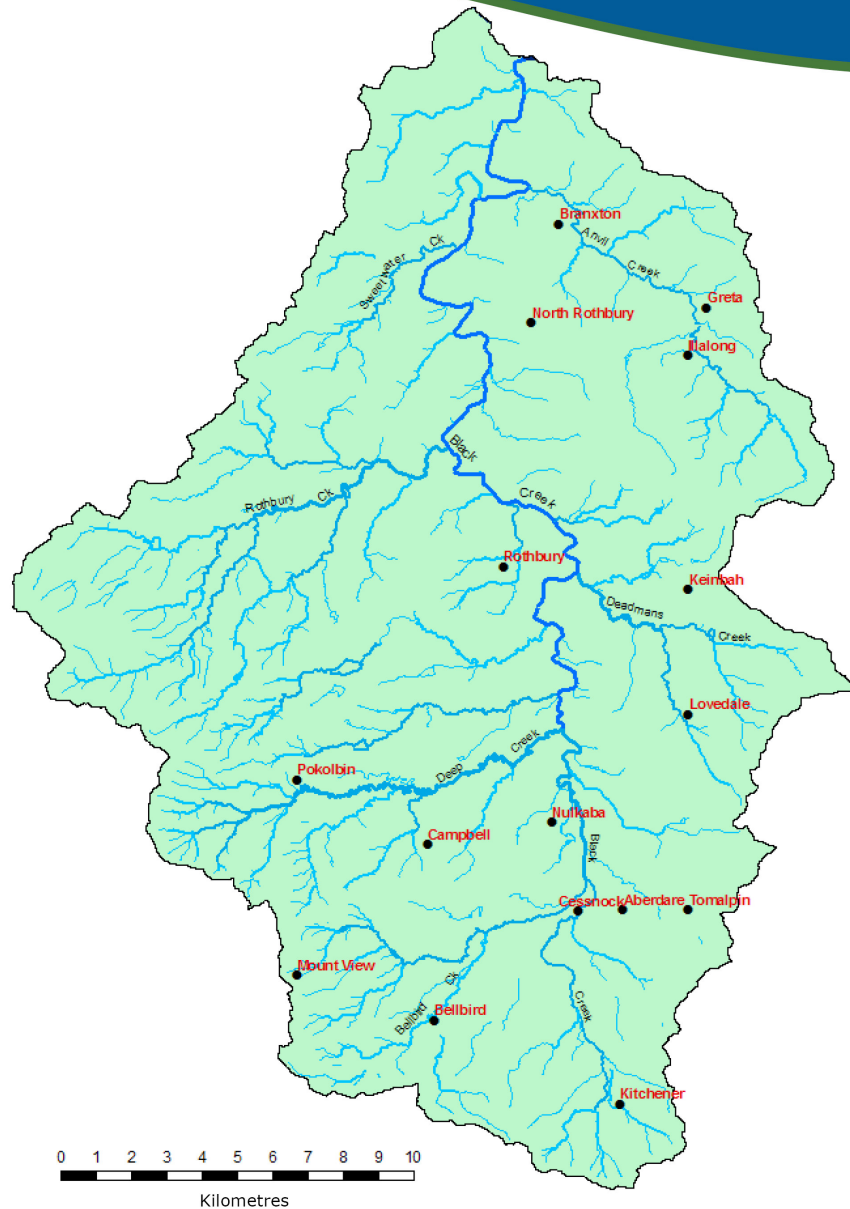
The state electorate of Cessnock covers an area of 1,484 square kilometres and is comprised of parts of the Local Government Areas of Cessnock, Lake Macquarie, Newcastle and Singleton. The district has a rural demographic rating and an estimated 48,960 voters. The District of Cessnock has been held by the Australian Labor Party since its creation in 1913 and has been held by the current member, Kerry Arthur Hickey since 1999.



**Figure 3.3 State Electorate of Cessnock**

Over 50% of land within the Cessnock LGA is under Government management in the form of State forests, National Parks and Crown Land. Surface waters in the Cessnock LGA flow to two main river catchments: the Hunter River, in the north; and the Hawkesbury-Nepean River system in the south. Flowing in a northerly direction through Cessnock is the Black Creek which passes Branxton before joining with the Hunter River. The project area is located with the Black Creek catchment which covers an area of 37,819ha, and is bordered by the Broken Back Range to the west and the Wallis/Swamp Creek catchment to the east, see figure 3.4 below.

## Black Creek Catchment Map



**Figure 3.4 Black Creek Catchment**

Source: Hunter Central Rivers Catchment Management Authority; Retrieved from [www.hcr.cma.nsw.gov.au/pubs/black\\_creek\\_flyer.pdf](http://www.hcr.cma.nsw.gov.au/pubs/black_creek_flyer.pdf)

Within the Black Creek Catchment are two recognised cultural landscapes: the Coalfields and the Vineyards, which are predominately cleared areas that retain remnant vegetation along creeklines. The Black Creek catchment has been identified as a high priority saline area contributing to formation of the Hunter Community Stream Salinity Project partnership

between the local community, Hunter-Central Rivers Catchment Management Authority and the Australian Government.

The City of Cessnock is located within the Hunter- Central Rivers water catchment area which covers 37 000 square kilometres of the east coast of NSW. The borders span from Taree in the north, to Gosford and the Central Coast in the south, and from Newcastle in the east to the Merriwa Plateau and Great Dividing Range in the west. The catchment is managed by Hunter-Central Rivers Catchment Management Authority.

Agricultural land occupies the second largest area (22%) in the Cessnock LGA. Agriculture is the most noted in the North-West wine growing region however there are significant portions of land throughout the LGA currently used for rural purposes including dairy farming, grazing, poultry farming, cropping, timber-getting and viticulture.

Urban areas continue to expand within the Cessnock area; however this land use currently occupies approximately 2% of the total land area, as shown in Table 3.1. Bellbird/Bellbird Heights is a residential and rural area, with residential land use located around Wollombi Road. Ellalong and Paxton are mainly rural areas with increasing residential land use within the townships.

**Table 3.1. Landuse Summary**

Land use	Area of land (acres)
Forest bushland	149,250
Intensive Agriculture	466
Cropping Pasture Grazing	40,210
Vineyards	2,304
Urban	3,416
Industrial	742

Source: Cessnock City Council, 2004

As other areas of the Lower Hunter region are running out of suitable and affordable land to house future growth, pressure is being placed on the Cessnock LGA to accommodate growth.

## **3.2 LOCAL HISTORY AND TRENDS**

The district is rich in both Aboriginal and European history as outlined in the following sub-sections.

### **3.2.1 Aboriginal History and Trends**

Cessnock lies between Australia's earliest European settlements - Sydney, the Hawkesbury and the Hunter. Lying on the land route between these important settlements, it provided

early European contact with Indigenous people, who have inhabited the Cessnock area for more than 3,000 years. The Darkinjung people were the major original inhabitants of the area pre European contact.

The Darkinjung tribe was made up of number of clans - to the north around Maitland was the land of the Wonarua tribe, whilst to the south-east, around the shores of Lake Macquarie were the Awabakal, the 'people of the flat surface'.

The City of Cessnock abounds in Indigenous place names. Names with Indigenous association which are indicative of this settlement include Congewai, Kurri Kurri, Laguna, Nulkaba and Wollombi.

Aboriginal relics and remnants of Aboriginal history are spread throughout the Cessnock Shire. These relics are important cultural assets to the Aboriginal people of today, and also are of educational and aesthetic value to a wider section of the community (Dept. Environment & Planning 1979; sourced from Cessnock Shire Council, 2003). For example, there are 290 sites recorded on the NSW Parks and Wildlife's Aboriginal Sites Register for the Cessnock area. More than half of these are shelter sites that contain art and or archaeological deposits.

### **3.2.2 European History and Trends**

Pastoralists commenced settling the land in the area in the 1820's. Wollombi became the established centre of the area from the 1830's, after the completion of the Great North Road that linked the Hawkesbury and Hunter Valleys. By 1850, Wollombi had three hotels, and was an important resting place for travellers, as well as a rural centre for farmers and cedar getters. Wollombi remained the largest settlement for most of the 19th Century.

The township of Cessnock developed from 1850, as a service centre at the junction of the Great North Road, with branches to Singleton and Maitland. Cessnock is named after Cessnock castle in Ayrshire, Scotland.

The establishment of the South Maitland Coalfield generated extensive land settlement in the area between 1903 and 1923. The current pattern of urban development, transport routes and industrial landscape was laid at this time. Townships sprang up adjacent to pit tops and the rail heads on the Greta seam.

In late 1939, construction began on the Greta Army Camp, just south of the Greta township. It is said that up to 60,000 soldiers passed through the camp gates during World War II. After the war, in 1949, it became one of the largest migrant camps in Australia with an estimated 100,000 people spending some time at the centre. At one stage, 17 different nationalities were represented in the camp. In early 1960, Greta Migrant Camp was closed and all the

buildings sold. The Migrant Camp also had a profound influence on the social and cultural development of the Greta community.

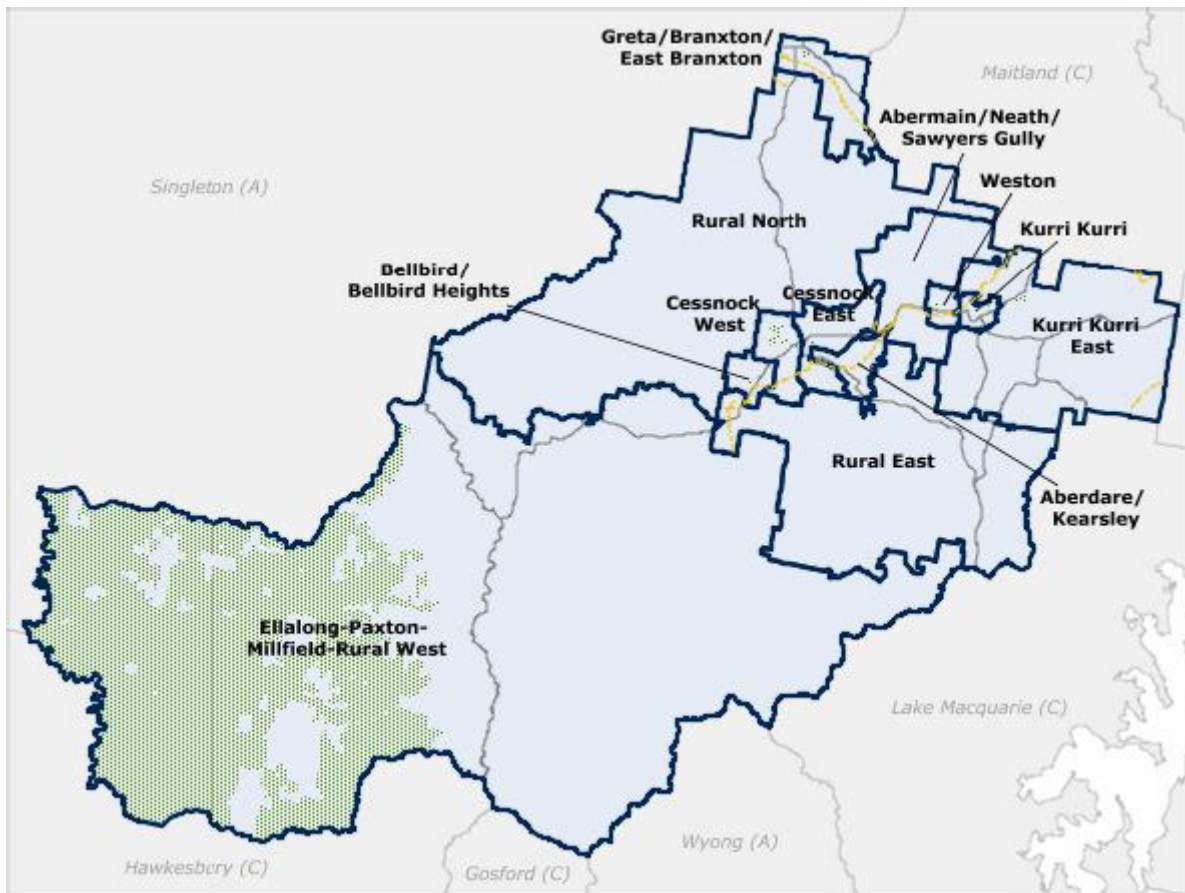
Whilst mining was the principal industrial base and source of employment in the Cessnock area for the first half of this century, changes in the industry, lead to the closure of the majority of mines in the area. This has resulted in a decline in population in many villages and townships over the last twenty years which has lead to the closure of some schools, shops and community meeting places. Consequently, many areas have undergone a change in character, with rural residential housing developments becoming popular, as well as small cottages and farms used principally as weekend retreats.

The decline of mining has been paralleled by growth in the wine industry. The Hunter Valley wine-growing area in Cessnock City is Australia's oldest wine region and one of the most famous, with around 4,500 acres under vine. The vineyards of Pokolbin, Mount View and Allandale, with their rich volcanic soils tended by entrepreneurial vigneron, are also the focus of a thriving and growing tourism industry.

Light and secondary industry has also been a feature of the City of Cessnock's recent economic development, with the production of aluminium, the processing of explosive equipment and mining support services now also a significant source of employment in the area. In addition, an application has been lodged with the Department of Planning for the rezoning of approximately 800 hectares of land for industrial zoning in an area known as the Hunter Economic Zone.

### **3.3 POPULATION CHARACTERISTICS AND TRENDS**

The information below provides a comparative analysis of Cessnock LGA as a whole and the constituent areas of Bellbird/ Bellbird Heights and Ellalong/ Paxton Village/ Millfield/Rural West area, which lie within the LGA. The analysis focuses largely on the Ellalong/ Paxton Village/ Millfield/Rural West area as it is in this area where the project is located. However summary statistics have been provided for the Bellbird/ Bellbird Heights area to provide a general overview. Where appropriate, data is compared with the broader Hunter Statistical Division. Figure 3.5 below details the boundaries of these areas.



**Figure 3.5 Boundary of Cessnock LGA; Bellbird/ Bellbird Heights and Ellalong/ Paxton Village/ Millfield/Rural West**

According to the 2001 census, Cessnock LGA had an estimated resident population of 45,071 persons, whereas the Bellbird/ Bellbird Heights area recorded 2504 and Ellalong/ Paxton Village/ Millfield/Rural West area 3,901 persons. Approximately 2.7% of the Cessnock total population identified themselves as Indigenous (1226 persons) which is considerably higher than the State average of 1.9%.



**Table 3.2 Summary statistics 2001: Bellbird/ Bellbird Heights; Ellalong/ Paxton Village/ Millfield/Rural West; Cessnock LGA and Hunter statistical division**

Selected characteristics	Bellbird/ Bellbird Heights		Ellalong/ Paxton Village/ Millfield/Rural West		Cessnock LGA		Hunter Statistical division
	Number	%	Number	%	Number	%	%
Total population	2,504	100.0	3,091	100.0	45,071	100.0	100
Males	1,221	48.8	1,546	50.0	22,272	49.4	49.3
Females	1294	51.7	1545	50.0	22799	50.6	50.7
Indigenous population	56	2.2	77	2.5	1226	2.7	2.1
Australian born	2156	86.1	2463	79.7	39435	87.5	85.8
Overseas born	127	5.1	301	9.7	2873	6.4	9.2
Australian citizens aged	2250	89.9	2632	85.2	41266	91.6	92.8
Australian citizens aged 18+	1590	63.5	1917	62.0	30123	66.8	69.4
Institutional population	5	0.2	29	0.9	1689	3.7	2.6
AGE STRUCTURE							
Infants 0 to 4 years	198	7.9	223	7.2	3207	7.1	6.6
Children 5 to 17 years	532	21.2	622	20.1	8901	19.7	18.7
Adults 18 to 64 years	1515	60.5	1920	62.1	26928	59.7	59.7
Mature adults 65 to 84 years	277	11.1	333	10.8	5377	11.9	13.5
Senior citizens 85 years and over	19	0.8	17	0.5	657	1.5	1.6
HOUSEHOLDS							
Households (occupied private dwellings)	897		1216		16514		
Persons counted in households	2503		3073		43515		
Average household size (persons)	2.79		2.53		2.64		
DWELLINGS							
Dwellings (total)	936		1648		18118		
Owned	444	47.4	605	36.7	7846	43.3	43.3
Purchasing	251	26.8	299	18.1	4239	23.4	25.3
Renting	109	11.6	136	8.3	3140	17.3	24.8

Source: Derived from the Australian Bureau of Statistics, Census of Population and Housing, 2001

\* excludes overseas visitors

Between the 1996 and 2001 censuses the estimated residential population of the Cessnock LGA grew by 782 persons (1.72%), 10 persons (0.4%) in the Bellbird area and 281 persons (10%) in Ellalong/ Paxton Village/ Millfield/Rural West area. The growth rate for the State of NSW over this period was 5.5% indicating that the Ellalong/ Paxton Village/ Millfield/Rural West area demonstrated comparatively stronger population growth.

**Table 3.3 Change in Summary statistics from 1996- 2001: Bellbird/ Bellbird Heights; Ellalong/ Paxton Village/ Cessnock LGA**

Selected characteristics	Change from 1996- 2001					
	Bellbird/ Bellbird Heights		Ellalong/ Paxton Village/ Millfield/Rural West		Cessnock LGA	
	Number	%	Number	%	Number	%
Total population	10	0.4	281	10.0	782	1.8
Males	-18	-1.5	129	9.1	365	1.7
Females	39	3.1	152	10.9	407	1.8
Indigenous population	19	51.4	0	0.0	328	36.5
Australian born	-123	-5.4	93	3.9	-459	-1.2
Overseas born	-11	-8.0	4	1.3	2574	860.9
Australian citizens aged	-139	-5.8	85	3.3	-824	-2.0
Australian citizens aged 18+	-55	-3.3	141	7.9	2	0.0
Institutional population	-5	-50.0	21	262.5	304	21.9
<b>AGE STRUCTURE</b>						
Infants 0 to 4 years	-18	-8.3	1	0.5	-220	-6.4
Children 5 to 17 years	-15	-2.7	8	1.3	-98	-1.1
Adults 18 to 64 years	7	0.5	187	10.8	689	2.6
Mature adults 65 to 84 years	57	25.9	99	42.3	285	5.6
Senior citizens 85 years and over	7	58.3	4	30.8	127	24.0
<b>HOUSEHOLDS</b>						
Households (occupied private dwellings)	3	0.3	204	20.2	649	4.1
Persons counted in households	16	0.6	268	9.6	538	1.3
Average household size (persons)	-0.08	-2.8	-0.21	-7.7	-0.07	-2.6
<b>DWELLINGS</b>						
Dwellings (total)	3	0.3	204	14.1	560	3.2
Owned	4	0.9	100	19.8	-124	-1.6
Purchasing	18	7.7	17	6.0	295	7.5
Renting	-37	-25.3	5	3.8	167	5.6

Source: Derived from the Australian Bureau of Statistics, Census of Population and Housing, 2001 and 1996

\* excludes overseas visitors, + percentage increase from 1996 to 2001

The pattern of Country of Birth of a population is indicative of the level of cultural diversity in an area and historical settlement patterns. The Cessnock LGA demonstrated:

- A low percentage of population born overseas (6.4%) compared to other areas in the Hunter Statistical Division (9.1%) and from a less diverse range of countries.
- Relatively low levels of cultural diversity with 2.4% of the population born in countries with non-English speaking backgrounds compared to 4.2% of the Hunter Statistical division population.
- Reduction in the total number of persons born overseas (128) from the 1996 census.

Furthermore, the age structure of Cessnock City in 2001 was characterised by:

- Large numbers of persons in both young and more mature family age groups, with 61.7% of the population aged 0-17 and 25-49 years, indicative of substantial residential development in the area over a number of decades.
- No significant differences to the Hunter Statistical Division broadly.

The most significant changes in age structure of the Cessnock LGA population between 1996 and 2001 were in the following age groups:

- 50-59 year olds (+1,278 persons);
- 70-84 year olds (+346 persons);
- 25-34 year olds (-275 persons)

However between the 1996 and 2001 censuses the Ellalong/ Paxton/ Millfield /Rural West area demonstrated significant growth of 99 people aged 65-84 years (42.3%), compared to growth of 285 people (5.6%) in the Cessnock LGA overall.

Cessnock LGA demonstrated a combination of both traditional and non-traditional family household types reflecting a broad spread of the population across a number of age groups. The most significant differences between the household structure of the Cessnock City and the Hunter Statistical Division in 2001 were:

- a lesser proportion of couples without child(ren)
- a higher percentage of total couples with child(ren)
- a greater share of total family households

The most significant changes in household types experienced in the Cessnock City between the 1996 and 2001 censuses were:

- total couples with child(ren) which declined from 50.4% to 46.7%
- couples without child(ren) which grew from 31.4% to 33.6%
- total family households which decreased from 74.8% to 71.7%.

### 3.4 SOCIO-ECONOMIC CHARACTERISTICS

#### 3.4.1 Household Income

Household Income is one of the most important indicators of socio-economic status and when combined with data pertaining to Educational Qualifications and Occupation, it can reflect the economic opportunities and socio-economic status of an area.

A comparison of household income between Cessnock City and the Hunter Statistical Division in 2001 indicated similar income levels. The largest income groups included households earning:

- \$300 to \$399 per week (12.7%);
- \$200 to \$299 per week (10.4%) and;
- \$400 to \$499 per week (8.9%).

Household income groups are not comparable over time due to wage level fluctuations and inflation. However, income quartiles allow us to objectively compare relative income-earning capabilities across time. The information below (table 3.4) uses the Hunter Statistical Division as the benchmark for comparisons.

**Table 3.4 Household income quartiles 2001- 1996: Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; Hunter Statistical Division**

Household income quartiles	2001					1996				
	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division
	Number	%	Number	%	%	Number	%	Number	%	%
Lowest	252	25.6	3844	27.1	25.0	241	27.3	3772	26.9	25.0
Medium Lowest	282	28.7	3678	25.9	25.0	253	28.7	3436	24.5	25.0
Medium Highest	255	25.9	3424	24.1	25.0	214	24.2	3335	23.8	25.0
Highest	195	19.8	3250	22.9	25.0	175	19.8	3469	24.8	25.0
Total	984	100.0	14197	100.0	100.0	883	100.0	14012	100	100.0

The 2001 census data indicates that compared to the Hunter Statistical Division:

- Ellalong/ Paxton/ Millfield/ Rural West area demonstrated higher proportions of households in the Lowest (25.6%) and Medium lowest (28.7%) quartiles
- Cessnock LGA demonstrated higher proportions of households in the Lowest (27.1%) and Medium lowest (25.9%) quartiles

There were no especially large changes in the distribution of households by income quartile in Ellalong/ Paxton/ Millfield/ Rural West area and Cessnock City between 1996 and 2001,

suggesting a relatively stable housing market, with maintenance of the socio-economic status of the area.

### 3.4.2 Household Tenure

Housing tenure data, to some extent, provides insights into the socio-economic status of an area as well as the role that the area plays in the housing market. High levels of homeownership may indicate that an area has: been settled for many decades; an equitable/affordable housing market or; high proportions of long term residents. Table 3.5 below demonstrates household tenure types for Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; and the Hunter Statistical Division.

Census data indicates that compared to the Hunter Statistical Division the Ellalong/ Paxton/ Millfield/ Rural West area and Cessnock LGA demonstrated:

- Higher proportions of households that were fully owned; and
- Lower proportions of government housing

Furthermore, between 1996 and 2001, there was a decrease in the number of households that were fully owned in Ellalong/ Paxton/ Millfield/ Rural West area, Cessnock LGA, as well as the broader Hunter Statistical Division.

**Table 3.5 Household tenure type, 2001- 1996: Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; Hunter Statistical Division**

Housing Tenure (households)	2001					1996				
	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division
	Number	%	Number	%	%	Number	%	Number	%	%
Owned	605	49.8	7846	47.5	43.3	505	51.9	7970	51.0	45.4
Being purchased	289	23.8	4239	25.7	25.3	282	29.0	3944	25.3	24.1
Renting- Govt	3	0.2	560	3.4	5.2	0	0.0	578	3.7	5.9
Renting- other	133	10.9	2539	15.4	19.4	131	13.5	2363	15.1	19.9
Renting- Not stated	0	0.0	41	0.2	0.3	0	0.0	32	0.2	0.2
Renting- Total	136	11.2	3140	19.0	24.8	131	13.5	2973	19.0	26
Other	50	4.1	487	2.9	2.8	37	3.8	399	2.6	2.4
Not stated	136	11.2	802	4.9	3.8	18	1.8	328	2.1	2.1
<b>Total</b>	<b>1216</b>	<b>100.0</b>	<b>16514</b>	<b>100.0</b>	<b>100</b>	<b>973</b>	<b>100.0</b>	<b>15614</b>	<b>100.0</b>	<b>100</b>

Table 3.6 demonstrates dwelling types for Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; and the Hunter Statistical Division.

Census data indicates that when compared to the Hunter Statistical Division the Ellalong/ Paxton/ Millfield/ Rural West area and Cessnock LGA demonstrated:

- Significantly higher proportions of separate house dwellings which is consistent with housing markets attractive to families
- Significantly lower proportions of semi detached, flat and apartment dwellings

According to 2001 census data the Ellalong/ Paxton/ Millfield/ Rural West area demonstrated very high proportions of unoccupied dwellings, 26.3% of total dwellings compared to 8.8% in the Cessnock LGA.

**Table 3.6 Dwelling type, 2001- 1996: Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; Hunter Statistical Division**

Dwellings	2001					1996				
	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division
	Number	%	Number	%	%	Number	%	Number	%	%
Separate house	1188	97.9	15444	93.5	82.8	983	97.1	14695	92.6	82.7
Semi-detached	0	0.0	253	1.5	7.4	4	0.4	219	1.4	6.1
Flat/ apartment	1	0.1	458	2.8	7	6	0.6	504	3.2	7.3
Other	22	1.8	196	1.2	2.1	5	0.5	222	1.4	2.2
Not stated	3	0.2	165	1.0	0.7	15	1.5	225	1.4	1.6
Total occupied dwellings	1214	100.0	16516	100.0	100	1012	100.0	15865	100.0	100
Total unoccupied dwellings	434	26.3	1602	8.8		432	29.9	1693	9.6	
Total dwellings	1648		18118			1444		17558		

### 3.4.3 Education

When considered with other data sources, such as Income and Occupation, Educational Qualifications help to evaluate the economic opportunities and socio-economic status of an area. Table 3.7 demonstrates the highest educational qualification achieved for Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; and the Hunter Statistical Division.

**Table 3.7 Educational qualification of people aged over 15 years 2001-1996: Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; Hunter Statistical Division**

Highest qualification achieved (persons aged 15+)	2001					1996				
	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division
	Number	%	Number	%	%	Number	%	Number	%	%
Bachelor or higher degree	171	7.2	1356	3.9	7.6	120	5.8	1071	3.2	6.8
Advanced Diploma or diploma	145	6.1	1384	4.0	6.3	125	6.0	1467	4.4	6.2
Vocational	438	18.5	6668	19.1	19.7	329	15.8	5535	16.5	16.6
No qualifications	1262	53.3	20625	59.1	55.1	1247	60.1	21435	63.7	59.1
Not stated	351	14.8	4883	14.0	11.3	255	12.3	4138	12.3	10.4
Total	2367	100.0	34916	100.0	100	2076	100.0	33646	100.0	100

The data indicates that the Ellalong/ Paxton/ Millfield/ Rural West area demonstrated:

- Lower proportions of people without qualifications (53.3%) than both Cessnock LGA (59.1%) and the broader Hunter Statistical Division (55.1%)
- Higher proportions of people with a bachelor degree or higher (7.2%) than Cessnock LGA (3.9%) but lower proportions than the Broader Hunter Statistical Division (7.6%)

In 2001, the population in Cessnock City was indicative of a lower than average skill and education base compared to other areas in Hunter Statistical Division and the Ellalong/ Paxton/ Millfield/ Rural West area.

### 3.4.4 Employment and Workforce Characteristics

Employment Status presents the share of the population that is employed full-time, part-time or unemployed, as well as changes over time in the labour force. Table 3.8 demonstrates employment status for Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; and the Hunter Statistical Division.

**Table 3.8 – Employment Status 2001- 1996: Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; Hunter Statistical Division**

Employment status	2001					1996				
	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division
	Number	%	Number	%	%	Number	%	Number	%	%
Employed fulltime	637	52.0	9900	54.6	55	615	54.3	10547	58.3	58
Employed part time	422	34.4	5543	30.6	32.4	309	27.3	4771	26.4	28.8
Employed not stated	37	3.0	608	3.4	2.7	7	0.6	400	2.2	1.8
Total employed	1096	89.4	16501	90.9	90.1	931	82.2	15718	86.9	88.7
Total unemployed	130	10.6	2092	11.5	9.9	202	17.8	2373	13.1	11.3
Total labour force	1226	100.0	18143	100.0	100	1132	100.0	18091	100.0	100
Total in labour force	1226	52.3	18143	52.0	55.2	1132	54.6	18091	53.4	56.3
Total not in labour force	928	39.6	14861	42.6	41	864	41.7	14747	43.5	41.9
Not stated	190	8.1	1910	5.5	3.8	77	3.7	1051	3.1	1.8
Total	2344	100.0	34914	100.0	100	2074	100.0	33889	100.0	100

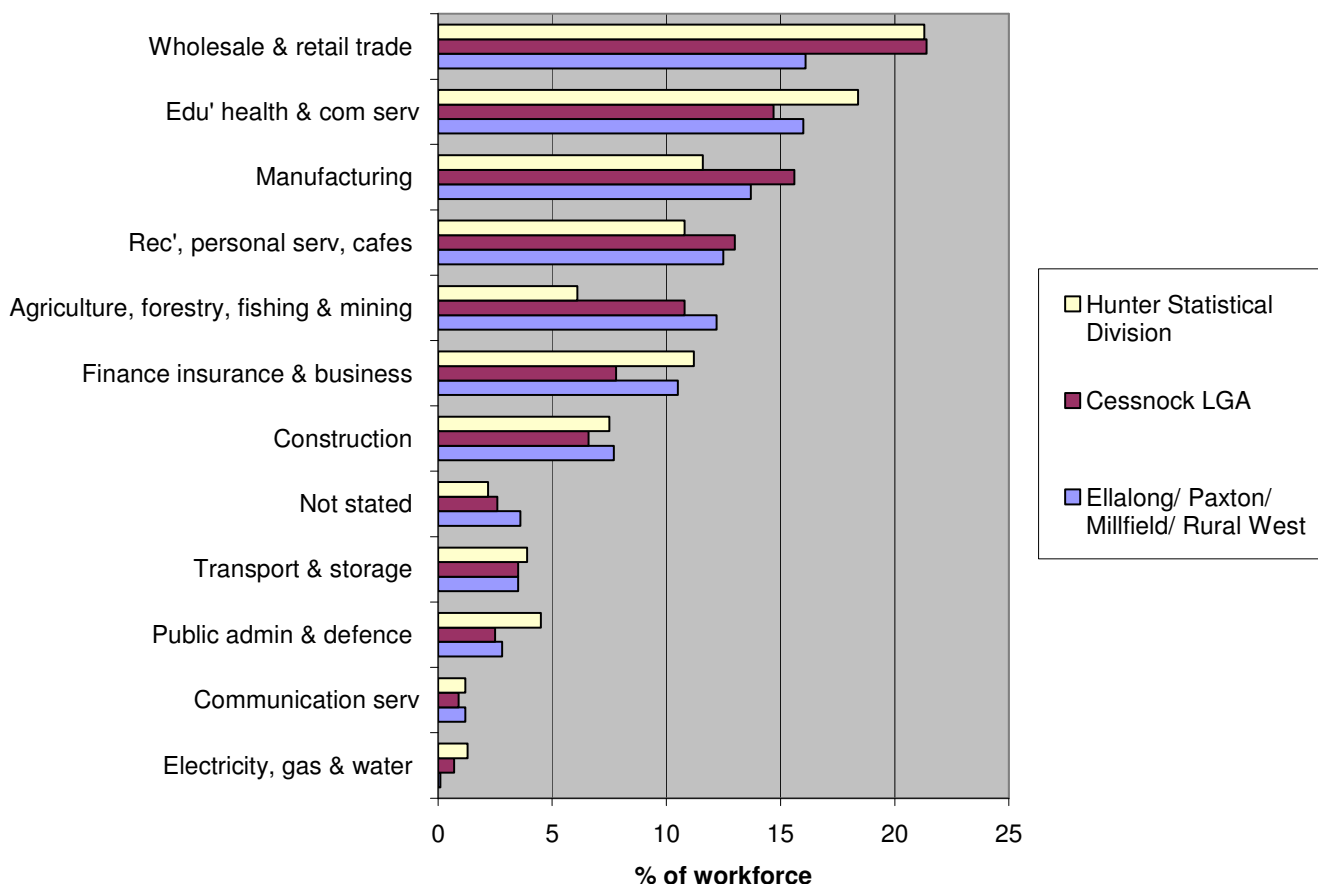
According to census data the Ellalong/ Paxton/ Millfield/ Rural West area demonstrated:

- Lower proportions of the labour force employed full time than Cessnock LGA and the Broader Hunter Statistical Division
- Lower unemployment rates than Cessnock LGA, but higher unemployment rates than the broader Hunter Statistical Division.

The unemployment rates in Ellalong/ Paxton/ Millfield/ Rural West area; Cessnock LGA and the broader Hunter Statistical Division decreased from 1996 to 2001. The proportion of the work force employed part time increased significantly in all three areas, however only marginal increases were evident in fulltime employment which is consistent with greater casualisation of employment.

The Industry Structure of the work force is indicative of the skill base and (to some extent) the socio-economic status and industry structure of an area. Figure 3.6 demonstrates industry of employment for Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; and the Hunter Statistical Division.





**Figure 3.6. Workforce by Industry Sector 2001: Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; Hunter Statistical Division**

As the figure illustrates all three areas were characterized by high proportions of the workforce in Wholesale and retail trade; and Education, health and community services.

However according to 2001 census data, Ellalong/ Paxton/ Millfield/ Rural West area demonstrated:

- Significantly lower proportions of the labour force employed in Wholesale and retail trade (16.1%) than Cessnock LGA (21.4%) and the boarder Hunter Statistical Division (21.3%)

There were a number of significant changes in the proportions employed by industry sector between 1996 and 2001 in Cessnock City. The most notable changes included the lower share of the population employed in agriculture, forestry, fishing and mining, as well as a higher proportion in wholesale and retail trade.

Table 3.9 demonstrates workforce occupations for Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; and the Hunter Statistical Division.

**Table 3.9 – Workforce by Occupation 2001- 1996: Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; Hunter Statistical Division**

Employment status	2001					1996				
	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division	Ellalong/ Paxton/ Millfield/ Rural West		Cessnock LGA		Hunter Statistical Division
	Number	%	Number	%	%	Number	%	Number	%	%
Mangers and admin	101	9.1	805	5.0	6.7	89	9.2	740	4.7	6.7
Professionals	167	15.0	1669	10.4	16	154	15.9	1569	10.0	15.2
Associate professionals	114	10.2	1605	10.0	11.2	82	8.5	1442	9.2	10.8
Tradespersons	142	12.7	2733	17.0	14.8	135	13.9	2885	18.4	15.6
Clerical sales and services	267	24.0	4577	28.5	30.1	203	21.0	4054	25.8	28.6
Production and transport	136	12.2	2373	14.8	9.8	162	16.7	2831	18.0	11.2
Labourers	168	15.1	2004	12.5	9.5	126	13.0	1826	11.6	9.5
Not stated	19	1.7	280	1.7	1.8	17	1.8	368	2.3	2.4
<b>Total</b>	<b>1114</b>	<b>100.0</b>	<b>16046</b>	<b>100.0</b>	<b>99.9</b>	<b>968</b>	<b>100.0</b>	<b>15715</b>	<b>100.0</b>	<b>100</b>

Similarities in occupation were evident in Ellalong/ Paxton/ Millfield/ Rural West Area; Cessnock LGA; and Hunter Statistical Division, particularly in the areas of:

- clerical, sales and service workers, tradespersons and
- production and transport workers

The major differences in the occupational composition in 2001 in Cessnock City compared to the Hunter Statistical Division included:

- Substantially lower share of professionals (-5.6%);
- Considerably higher share of production and transport workers (+5%);
- Higher share of labourers (+3%).

There were significant changes in the numbers of persons employed by occupation between 1996 and 2001. The largest net changes were experienced in:

- clerical, sales and service workers (+523);
- production and transport workers (-458);
- labourers (+178);
- Associate professionals (+163).

### **3.4.5 Summary**

The Ellalong/ Paxton/ Millfield/ Rural West area, the area in which the project is located, demonstrated several key differences to the Cessnock LGA and broader Hunter Statistical Division in which it is situated. In 2001, the Ellalong/ Paxton/ Millfield/ Rural West area recorded comparatively high population growth rates, especially in people aged 65-84 years. The ageing population may indicate potential strain on old-age and health services in the area in future years.

This area also demonstrated higher proportions of the population in the lowest and medium lowest household income quartiles, despite recording comparatively high proportions of home ownership, levels of educational qualifications achieved and occupations such as managers and administrators.

Part of this discrepancy may be accounted for by the relatively high levels of part time employment, indicating increasing casualisation of the workforce. An alternative explanation may also be the relatively low proportions of occupations such as tradespeople in social context characterised by skills shortages and industrial production.

However, within this particular area of the LGA, there were significantly higher proportions of the population employed in the industries of agriculture, forestry, fishing and mining in 2001. This broad bracket does not differentiate between constituent sectors. Although the statistics do not differentiate mining from agriculture and forestry, the townships of Ellalong/Paxton/Millfield and other Rural West villages of Pelton/Kitchener/Aberdare and Abernethy were created to directly support mining families. A large proportion of miners still reside in these towns and support the mining industry commuting to mines located in Lake Macquarie and the Hunter. Austar directly employs approximately 300 full time equivalent persons with over 50% residing in the Cessnock LGA.

The Cessnock town and surrounds is steeped in mining tradition. Austar provides the last remaining mine in the Greta seam in the Cessnock area.

## **3.5 INFRASTRUCTURE AND SERVICES**

The ability of the population to source services, facilities and employment is a major social indicator. Support infrastructure across the City of Cessnock includes:

- two hospitals;
- two TAFE campuses;
- community health services;
- a range of childcare options, and aged care; and

- Numerous other community support services.

Each of the City's towns and villages (which are linked by large expanses of natural vegetation) provide high quality sporting facilities and parks.

The Cessnock City demonstrates a sense of identity through a number of historical museums and private galleries throughout the region. These include a strong reference to the areas mining heritage including:

- Bellbird mine disaster memorial;
- Richmond Vale Railway and Mining Museum;
- Sir Edgeworth David Memorial Museum;
- North Rothbury riot memorial;
- Multiple murals at Kurri Kurri;
- Aberdare Central poppet head park; and
- Mining history themes in many hotels and clubs.

The Coalfield Heritage Group remains an active group within the community.

### **3.6 GOVERNANCE**

The Cessnock City Council, as it is today, was formed following an amalgamation of the Shire's of Kearsley and Cessnock. The Cessnock City Council is responsible for local service provision to the area, including: floodplain management, road construction and maintenance, car parking, traffic management and cycleway facilities; water and sewerage services; environment and heritage approvals and planning programs; environmental assessment programs; health and regulation programs; and waste management services.

Legitimate and statutory representatives for the local aboriginal people are the Mindaribba Local Aboriginal Land Council. The boundaries of the land council are administrative rather than tribal. The Mindaribba Local Aboriginal Land Council was constituted under the Aboriginal Land Rights Act 1983 (NSW). The Land Council has partnerships with a range of government and non-government organisations for the provision of various services to the Aboriginal community. These include:

- housing;
- economic, employment and educational programs;
- acquisition and maintenance of land and assets; and
- the protection and maintenance of cultural heritage sites.

### 3.7 GENERAL COMMUNITY ISSUES

A scan of media articles in the area suggests an increased awareness of mining and development activities in the region among local residents. Greater environmental awareness and increasing stakeholder expectations, with respect to industry practice, now have the potential to present significant risk to development activities.

Issues noted within local media included but are not limited to the following:

- **Mine subsidence** - Continued mine working within the LGA has potential to increase pressure on land degradation and result in impacts on residences and other improvements within the LGA.
- **Sustainability of the region** - The decline in traditional employment sectors (mining) in the Cessnock region has reduced the employment opportunities of those already living in the region, and has the potential to result in greater unemployment and reduced living standards through a flow on effect.
- **Cumulative effects of increase in mining activity** - Community is unsure of the extent of current mining operations, and the number of proposals for new and or expanded operations in the area.
- **Land Use Changes** - Economic indicators for the Cessnock LGA reflect a major increase from the Service sector, in particular the viticulture and tourism related activities. From the traditional mining and manufacturing industries Cessnock now has well established and growing wine, tourism, commercial and retail sectors.
- **Pressure on services and facilities** - The region appears to be under pressure from development due to other areas of the Hunter Region being over supplied and land availability being scarce. The impacts on service provision and planning for appropriate infrastructure has been raised by media articles in relation to this issue.
- **Development activities**- The pressure from potential clearing of land from site development and construction activities is an issue throughout the Cessnock community. Issues raised included:
  - Clearing of native vegetation
  - Increased soil erosion
  - Unnatural fire regimes
  - Changes in natural water balances and flows (drainage, filling, levee construction)
  - Changes in the natural nutrient levels

- Pollution levels (noise, water and air pollution)
- **Water issues** - The pressure on water resources due to increasing development through a variety of land uses within the Cessnock LGA is a concern for the community. Water quality is regarded as a critical issue in water management in the region. Poor water quality has the potential to severely restrict human activities in the Catchment areas, both in terms of human health and economic costs due to loss of production and increased costs of water treatment. The effects of a drought has resulted in a greater awareness of the importance of water saving and water quality.
- **Provision of Open Space** - Concern has been raised with the Council over the decrease in allocation of open space in recent times. There is now a greater pressure due to the continued demand for year round recreational activities.

### 3.8 PROJECT IMPLICATIONS

Overall, there is a strong community and regional focus on water quantity and quality. This is related to current water shortages and droughts, heavy water dependence by industry and a community identity structured around activities associated with the waterways. Any potential impacts upon smaller waterways are likely to be met with significant community and regional resistance due to concerns for the larger system.

Broader societal changes in attitudes towards sustainability and environment have several implications for the proposed project. The international context is characterized by increased awareness and sensitivity to environmental issues. Furthermore the Hunter region has a long history of industrial/ mining activity and is well educated about mining impacts. The cumulative impacts of the coal mining industry on the Hunter region have become a concern for many people and have entered into community dialogue.

The Hunter region is influenced by resource development cycles, experiencing strong periods of growth followed by a flattening of the population and economy. Subsequently managing population change associated with development is a continual challenge for the region. Many Local Government Areas in the Hunter are experiencing population decreases. Despite this Ellalong/ Paxton/ Millfield/ Rural West area in which the project is located has experienced population growth.

Population growth in the Ellalong/ Paxton/ Millfield/ Rural West area and Cessnock LGA may also have implications to the project. Land availability, and competing landuses may affect residents' attitudes to mining and more broadly development. The Cessnock LGA has experienced changes moving from traditional mining and manufacturing industries to now well established and growing wine, tourism, commercial and retail sectors. The area in which

the project is located is predominately rural and away from the rich volcanic soil areas of Pokolbin, Allandale and Mount View. The land has been heavily subdivided into small rural lifestyle lots with low levels of agricultural productivity of upto 40 hectare size.

Proportions of Ellalong/ Paxton/ Millfield/ Rural West residents employed in agricultural production, farming and forestry may have implications to the project. Competing landuses may influence attitudes towards the project particularly in the face of decreasing land availability and population growth. The Aberdare State Forest is in the process of being transferred to Werakata State Conservation Area. The transfer has passed through both houses of parliament and is currently awaiting assent. A fundamental objective of the State Conservation Area classification is to ensure that mining activities can be accommodated. It will however stop traditional forestry activities including timber-getting.

## **4.0 CONSULTATION ACTIVITIES**

The following sections provide details of the consultation activities carried out with landholders in the Stage 2 and Stage 3 mining areas, landholders located in the Exploration Licence area, community groups representing the broader community and key government stakeholders.

### **4.1 LANDHOLDER CONSULTATION**

The following sections describe the range of consultation methods utilised to provide landholders with details of the proposed mining activities.

#### **4.1.1 Landholder Agreements**

A series of meetings were held between Austar representatives and owners of properties overlying mining panels in the Stage 2 mining area. The purpose of these meetings was to negotiate agreements with property owners where impacts on those properties were predicted to be potentially beyond the thresholds of safe, serviceable and repairable. These private agreements between the property owner and Austar were intended to ensure that affected landholders were comfortable with the company's plans and were in agreement with mining being carried out, with a range of compensation options being proposed by Austar including property purchase, repair or replacement of damaged improvements, provision of alternate accommodation during periods of subsidence etc. In return a financial consideration has been negotiated whereby both parties can share in the benefits of the mining proposal. A summary of the landholder agreements consultation process is provided in the Subsidence Management Plan document.

#### **4.1.2 PSMP Meetings**

Consultation with local landholders in Stage 2 of the mining proposal was undertaken over the months of May to August 2006. A total of 11 landholders were contacted by Coakes Consulting and asked if they would be interested in meeting to discuss the company's plans, with 5 agreeing to participate. Following further subsidence predictions it was determined that one of these properties was unlikely to be affected by the Stage 2 proposal, subsequently the PSMP process was not pursued with this land owner.

Subsequent meetings were arranged to develop Property Subsidence Management Plans (PSMP's) with 5 landholders being:



- Mr J Reid;
- Mr T Duckworth;
- Mr B Murray;
- Mr P McGreevy, and
- Mr & Mrs T Allan.

The consultation process for those landholders with properties located in the Stage 2 mining area is outlined below:

- *Initial Meetings* (May and June 2006). This served to advise landholders of the proposed mining application, explain longwall mining and subsidence effects, and explain regulatory context and the process for development of a PSMP for the property. Plans of the mining area and the landholder's property, and information sheets were presented and discussed at this meeting. Some properties were not occupied by owners on a regular basis, and information sheets were provided to these owners covering the company's proposed mining activities, the effects of subsidence and the approval process.
- *Property Inspection* (July and August 2006). This involved an inspection of the property with the owner/manager, identification of man-made and natural property features and confirmation of the use of the property (Murray still to occur).

It is intended that further consultation be undertaken by Austar with these property owners to complete the PSMP process. This will include the following:

- *Draft PSMP Meeting*. This will involve presentation of the draft PSMP's including discussion of the management of subsidence effects on the man-made and natural property features and the use of the property.
- *Final PSMP*. A copy of the final PSMP, incorporating any changes arising from the draft PSMP meeting, will be provided to each owner.

Information gathered by Coakes Consulting has contributed to the development of 4 draft PSMP's for properties located in the Stage 2 mining area.

#### **4.1.3 Open Information Day**

Landholders with properties located in Stage 2 and Stage 3 of the proposed mining area, along with landholders in the surrounding Exploration Area were invited to attend an open information day held on 29 October 2006. The purpose of the information day was to provide further detailed information to local landholders in relation to the staged mining

proposal. Approximately 65 local residents attended the information day to obtain further information. Posters and information sheets were made available on the day.

Presentations were provided by independent specialists covering the following key areas of concern to residents:

- *Subsidence* – covering subsidence mechanisms, the likely impacts and impact management methods;
- *Hydrology* – providing details of surface topography and flood modelling techniques.
- *Exploration* – Austar geologist provided details of the proposed exploration program including the proposed timeframe and types of exploration techniques likely to be used.
- *Mining Proposal* – Austar representatives also discussed in detail the proposed mining stages, the approvals process and the landholder agreements being negotiated at the time.

## **4.2 COMMUNITY INFORMATION SHEETS**

A series of detailed Community Information Sheets (CIS) were developed and provided to residents in the broader area surrounding the proposed mining activities. The information sheets were delivered to approximately 1100 household mailboxes covering the townships of Ellalong, Paxton, Pelton, Kitchener, Abernethy and rural residences in Quorrobolong. The distribution of CIS 5 was extended to include a further 200 rural residences around the township of Mulbring in order to include all residences within the Exploration License area.

The initial information sheets provided details on the company and its proposed mining activities. As key areas of concern arose, specific information sheets were developed to provide further information on these areas of concern. The information sheets are provided in **Appendix A**, and are summarised in the following sections.

### **4.2.1 Community Information Sheet 1 – Mining Overview**

Details were provided covering the following areas:

- Who is Yancoal?
- Proposed Mining Activities
- The Mining Approval Process

#### **4.2.2 Community Information Sheet 2 – A Guide To Longwall Mining**

This information sheet provided details on the following key areas:

- What is Longwall Mining?
- What is Top Coal Caving (TCC) and how does it differ from traditional Longwall Mining?
- Has TCC been applied in Australia previously?

#### **4.2.3 Community Information Sheet 3 – Subsidence Effects and Longwall Mining**

The following key aspects of subsidence were included in CIS 3:

- What is Subsidence?
- When does surface subsidence occur?
- What effect does subsidence have on the surface?
- What effect does subsidence have on surface features?
- Managing subsidence.
- Who is the Mines Subsidence Board (MSB)?
- What is the MSB's role?
- How does the MSB manage subsidence effects?
- What about effects on other property features?

#### **4.2.4 Community Information Sheet 4 – Stage 1 Mining Activities**

This sheet was prepared to provide information on the process undertaken by Austar in gaining approval for the Stage 1 mining area, covering the following key areas:

- Current Approved Mining Area
- What changes to mining are included in Stage 1?
- Stage 1 Statement of Environmental Effects (SEE)
- Stage 1 Approval Process

#### **4.2.5 Community Information Sheet 5 – Historical and Current Mining Proposals**

This information was provided to clarify the extent of historical mining activities and the location and nature of proposed mining and exploration activities. Information covered the following areas:

- Historical Mining Areas
- Exploration Licence Area
- Current and Proposed Mining Activities

### **4.3 COMMUNITY GROUP PRESENTATIONS**

Over the months of July to October 2006, a total of 12 community groups within the Cessnock area were contacted and asked if they would be accepting of the company attending one of their group meetings to provide information on the mining proposal. A total of 12 community group presentations were scheduled with the following groups:

- Rotary Club of Cessnock
- Hunter Regional Development Corporation (HDEC)
- Lions Club of Cessnock Inc
- Hunter Valley Winemakers Association
- TAFE NSW – Hunter Institute
- Kurri Kurri Chamber of Commerce
- Wollombi Chamber of Commerce
- Minewatch
- Coalfields Heritage Group
- Mindaribba Local Aboriginal Land Council
- Cessnock Tidy Towns Committee
- Cessnock Landcare Inc

Following discussions with the President of the Cessnock Landcare Inc group, a joint meeting was proposed for Landcare and catchment management groups in order to provide detailed information on the likely impacts of subsidence on surface drainage, the flood modelling process and to understand better the concerns of these groups. The following groups were invited:

- Ellalong Wetlands Protection Group
- Communities of Congewai Catchment Inc
- Congewai Valley Landcare Inc
- Ellalong Tidy Towns
- Millford Progress Assoc & Tidy Towns
- Mt Vincent Landcare

Only the Cessnock Landcare Inc group were represented at the meeting, at which a detailed presentation was provided covering surface topography, flood modelling and mine water management.

#### **4.4 KEY STAKEHOLDER MEETINGS**

A number of meetings were held between Austar management and key stakeholders within the broader community across the months of March to November 2006. Stakeholders represented the following areas of interest:

1. Local Government including:
  - Cessnock City Mayor and Councillors, and
  - Cessnock City Planning Department.
2. State Government including:
  - State Member;
  - Mines Subsidence Board;
  - Department of Primary Industries - Minerals (DPI), and
  - Department of Planning – Major Projects.
3. Infrastructure providers covering services such as Rail, Electricity and Telecommunications.

Outcomes of Austar's consultation with key stakeholders is provided in Section 14 of the Subsidence Management Plan document.

## **5.0 KEY COMMUNITY ISSUES**

Consultation across the stakeholders identified in Section 4 revealed a number of issues in relation to the proposal. These issues have been summarised in the themes below.

However, in addition a form letter was also received from local landholders during the consultation process. Specific issues of concern were listed as:

- Subsidence;
- Increased flooding;
- Decreased land values.

Other questions that were raised through this mechanism included:

- Who makes the assessment for compensation in the case of property damage?
- Does the company commit to a time frame for remedial work to be completed, or is it necessary for the resident to fight in order to have damage rectified?
- How is the company assessing the worth of coal in Quorrobolong?
- Are incentives and royalties paid up front?
- Should Austar, for whatever reason go into liquidation, how is that going to effect landowners who have been paid or contracted to receive royalties, or whose properties are under repair?
- Has comprehensive geographic testing been done in the area for Stage 1?
- Who is the independent body that will monitor subsidence in Stage 1?

Each petitioner received a response from the company, a copy of CIS 5 and further opportunity was provided to raise the issues directly with the project team at the open day. A copy of the form letter, petition and response is contained in Attachment 4 of the Subsidence Management Plan document.

## **5.1 PROPOSED AND HISTORICAL MINING ACTIVITIES**

Some confusion existed regarding the different stages of mining proposed by the company, and uncertainty existed around the extent of areas mined previously. Uncertainty existed regarding the nature of exploration activities and the certainty, or lack of certainty, that the exploration area may be developed further in the future.

In addition, the reputation of previous mining companies was questioned with numerous examples of difficult dealings and poor environmental performance being cited, leading to a general lack of trust in mining companies.

Some elements of the broader community supported the concept of ongoing mining in order to continue the mining heritage of the town of Cessnock.

## **5.2 SUBSIDENCE**

Uncertainty existed regarding the nature and extent of subsidence impacts and the methods for managing impacts. Uncertainty also existed regarding the responsibility for repairs or compensation.

The reputation of the Mines Subsidence Board was questioned, along with its role in the proposed mining activities. Issues were raised regarding why the area was not registered as a mine subsidence area, with several residents suggesting that they had been previously informed by Cessnock Council that mining was not likely to occur under their properties.

### **5.3 ENVIRONMENTAL IMPACTS**

A high level of concern existed regarding the potential impacts of subsidence on Quorrobolong Creek, changes to flood patterns and potential for impacts on the downstream Ellalong Lagoon.

Property owners had high levels of concerns for the ecology of Quorrobolong Creek with most property owners in the Stage 2 mining area having fenced off the riparian zones along Quorrobolong Creek and its tributaries for habitat protection purposes.

Other environmental concerns included potential for discharges of polluted water into creeks, and potential for further spontaneous combustion problems with associated air pollution.

Some concern existed regarding potential noise impacts from ventilation fan installations and road traffic increases.

### **5.4 RESPONSE TO ISSUES RAISED**

As noted in Section 4.2 and 5.0, a series of detailed Community Information Sheets were developed to provide information to residents in response to issues raised during consultation. The community information sheets were distributed to a wide area covering approximately 1200 residents, including an invitation to contact Austar to arrange a meeting to discuss any issues. Copies of the Community Information Sheets are provided in Appendix A.

Further detailed responses were also provided at the Open Information Day where independent specialists provided presentations on key issues including subsidence and flood modelling. Austar representatives also provided additional information on proposed mining stages, the approval process and the Exploration Area including the nature of exploration activities and the process of evaluation required prior to any further mining development occurring.

It is understood that further feedback on the results of the environmental assessments and the strategies proposed to address stakeholder issues will be undertaken by Austar.



## **6.0 SUMMARY**

In summary, consultation was undertaken with property owners in and around the Stage 2 proposed mining area. Information was provided through Community Information Sheets covering the nature of both the mining activities and the subsidence impacts that could potentially occur. Distribution of Community Information commenced with residents in proximity to the proposed Stage 2 and Stage 3 mining areas, and was extended to cover 1200 residents in the nearby townships of Ellalong, Paxton, Pelton, Kitchener and rural residences in the Quorrobolong and Mulbring localities.

A range of issues were raised by residents, and these were responded to through the development of further issue specific Community Information Sheets, and were also addressed in detail in an open information day held in October 2006.

Consultation with the wider community was achieved through a series of meetings and presentations to 12 community groups including Chambers of Commerce, Rotary and Lions Clubs, Catchment Management Groups, Minewatch, the Mindaribba Local Aboriginal Land Council and the Hunter Valley Winemakers Association.

In addition, Austar management met with key stakeholders including State and Local Government representatives providing a presentation on the company's proposed development plans.

It is understood that further feedback on the results of the environmental assessments associated with the Subsidence Management Plan, and the strategies proposed to address stakeholder issues will be undertaken by Austar.

Bret Jenkins  
*Principal Consultant*

for  
**COAKES CONSULTING**

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## **APPENDIX A**

### **Community Information Sheets 1 to 5**



