



Gippsland Coastal Board

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The Executive Officer
Economic Development and Infrastructure Committee
Parliament House
Spring Street
East Melbourne VIC 3002

26 August 2011

Dear Sir or Madam,

RE: Inquiry into greenfields mineral exploration and project development in Victoria

The Gippsland Coastal Board appreciates the opportunity to respond to this important inquiry into greenfields mineral exploration and project development in Victoria. Our strategic planning role for the Gippsland coastal area means we are to contribute to the development and implementation of Government policy with regard to mineral exploration and extraction.

Our Board advises the Minister for Environment and Climate Change on regional coastal matters and maintains working relationships with four local councils, two catchment management authorities, various departments of the state government, water authorities, regional development groups, academic institutions, recreational associations, and numerous other community organisations around Gippsland.

The Gippsland Coastal Board is also responsible for facilitating the implementation of the *Victorian Coastal Strategy 2008 (VCS)* and its own Coastal Action Plans. The VCS gives direction for planning and managing the impacts of activities on and in foreshore areas, in the coastal hinterland - including private land - and in the catchments of coastal flowing rivers.

The VCS has identified a hierarchy of principles for development on the coast, which sets the foundation of the strategy and guides planning and decision-making about land use and development. These principles are:

- Provide for the protection of significant environmental and cultural values;
- Undertake integrated planning and provide direction for the future;
- Ensure the sustainable use of natural coastal resources, and (when the other principles are satisfied)
- Ensure development on the coast is located within existing modified and resilient environments where the demand for development is evident and the impact can be managed.

This submission focuses on the following matters in the Committee's terms of reference:

- the regulatory environment;
- the different roles of government (this may include, but is not limited to, targeted industry engagement, facilitation and generation of geological survey information);
- opportunities to increase the net benefits from Victoria's minerals and energy earth resources, and to potentially provide for self sufficiency in low cost energy and extractive materials, consistent with the principle of economic efficiency; and
- consideration of the costs and benefits of Greenfields minerals exploration (economic, social and environmental), and whether there are opportunities to improve the management of potential conflicts between exploration and other land uses.

The Regulatory Environment

This Board considers that a shortcoming of the present regulatory environment is the division of responsibility for the offshore environment between the Commonwealth and State jurisdictions. It seems to us that there is a lack of consideration by the Commonwealth, in evaluating proposals for offshore oil and gas extraction, of the onshore impacts, particularly the effects on aquifers that extend from under the land to under the sea bed, and the potential for land subsidence as a consequence of extraction.

The Roles of Government

The terms of reference refer to a potential role of Government being the generation of geological survey information. However, we believe there is a need for a broader approach to knowledge gathering, identification of knowledge gaps or whether there is any intention of future research or studies into various aspects of mineral exploration or extraction, particularly in regard to 'down-stream' and flow-on impacts of extraction. This may highlight significant gaps that, if filled, would greatly improve operations, efficiency, resource use, etc.

Opportunities to Increase Net Benefits & Energy Self Sufficiency

The Board supports the development of alternative energy sources and increased efficiency of extraction and use of natural resources. Some positives resulting from the inquiry may include improvements to current policy, legislation, operations (particularly on-ground), resource use efficiency and compliance and enforcement.

Although it may be slightly outside the immediate focus of the terms of reference, we suggest that the inquiry should also give attention to the issues associated with development of marine energy (tidal and wave energy) in Victoria's coastal waters. The Department of Sustainability and Environment, in consultation with the Victorian Coastal Council, the Regional Coastal Boards and other stakeholders, has developed a discussion paper considering the regulatory requirements, tenure, onshore implications and other matters.

Costs, Benefits and Conflict Management.

The Board is aware of proposals to exploit brown coal in the Gelliondale area west of Yarram, possibly in association with development of 'Port Anthony' at Barry Beach for export of the coal from this field.

Development of the Gelliondale coalfield could potentially lead to further drawdowns of the Latrobe Aquifer as a result of mine dewatering, increasing the risk of coastal

subsidence and damage to waterways and wetlands. In addition, as the coal in this area is higher in sulphur than current coalfields, there could be additional environmental hazards that need to be considered.

A study into Latrobe Valley coal carried out by GHD recommends that Port Anthony be developed as an export port with three options: 45,000 tonne ships, four 10,000 tonne barges or a kilometre long conveyor into deep water. There are a number of potential risks from such a development including pollution and spills from ships or on-shore facilities, impacts from large-scale channel dredging and impacts to landscape amenity and tourism along an iconic coastline.

Development of 'Port Anthony' could potentially have serious impacts on the environment and landscape of sensitive areas such as Wilsons Promontory National Park, Corner Inlet Marine National Park and Corner Inlet Marine and Coastal Park, as well as the nearby Nooramunga Marine and Coastal Park. Corner Inlet is a Ramsar wetland of international significance and as been identified as a 'coastal hot spot' by Commonwealth environmental funding programs. In addition, it has a major role in breeding and recruitment of fish species of importance to the commercial and recreational fishing industries. Regional natural resource management agencies have undertaken significant programs to reduce nutrient inflows to the Inlet and improve the health of its seagrass communities. Given its environmental significance, this Board believes that Corner Inlet is not an appropriate location for development of a major port facility.

Any proposals to develop the Gelliondale coalfield should be subject to a full Environmental Effects Statement, which considers the implications of expanding the 'Port Anthony' (Barry Beach) commercial port, as well as extraction of the coal. Any development permits should require a comprehensive monitoring regime to measure land subsidence and effects on groundwater and ensure that any other adverse environmental impacts are identified and rectified at an early stage.

In addition, mineral exploration and project development in areas along the Gippsland coast must take into account the potential for coastal acid sulphate soils. Coastal and marine environments could suffer significant impacts from exposure or mismanagement of these soils.

I hope these points are of use to the Committee in its deliberations. There is a critical need to assess and where possible improve aspects of resource use with the onset of climate change.

Please contact Ms. Natasha Vasey-Ellis, Executive Officer of the Gippsland Coastal Board, with any questions or comments on our submission.

Regards,

A handwritten signature in black ink, appearing to read 'Helen Martin', written in a cursive style.

Helen Martin
Chair