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MINING INDUSTRY CALLS FOR BUDGET COMMITMENTS ON CLIMATE CHANGE AND INFRASTRUCTURE

NSW Minerals Council (NSWMC) has called on the Federal Government to accelerate funding support for research into low emission technologies and to establish a Clean Coal Centre of Excellence in Newcastle.

Climate change and infrastructure are among seven key priority areas identified in the 2008-2009 Pre-Budget Submission by the state mining body. Other identified priorities are: occupational health and safety; water; education and training; exploration and environmental management.

"Australia's response to the challenge of climate change requires a suite of policy measures," says NSWMC CEO, Dr Nikki Williams.

"In addition to an efficiently designed cap and trade emissions trading scheme we need a range of complementary policies to ensure a smooth transition to a reduced greenhouse gas emission footprint. In particular, there must be investment and incentives for accelerated development, demonstration and deployment of low emission technologies in Australia."

"NSW has substantial coal resources," says Dr Williams. "This is reflected in the availability of low cost energy which underpins a significant part of our economy. We need to continue to maximise the industry's important economic and social contribution, whilst making the transition to a low carbon economy. Australia is ideally placed to be a world leader in clean coal technology and consequently help drive deep cuts in carbon emissions in this country and worldwide."

Investment in infrastructure is equally important to the future of the coal industry as a backbone of the NSW and Australian economy.

"The continued growth of the state's \$12.5 billion mining industry to meet predicted national and international demand for coal and other resources is contingent on investment in infrastructure, particularly in the Gunnedah Basin and in the Hunter Valley," says Dr Williams.

NSWMC urges the Federal Government to make the following infrastructure commitments:

- prioritise the Gunnedah rail link and commit Auslink funds to the project;
- recognise the Hunter Coal Supply chain as a high priority and commit Auslink funds to upgrade rail infrastructure to the Port of Newcastle;
- strategic water projects which enhance industry water efficiency and conservation initiatives.

"Demand for energy is predicted to double between now and 2030 and 800 coal fired power stations are expected to come on line worldwide in the next 10 years. This presents both an opportunity and a challenge," says Dr Williams.

"It presents an opportunity to further increase the mining industry's key contribution to the NSW economy through the payment of royalty and taxes, employment and annual export revenue. But to do that, we need to have adequate infrastructure to meet the demands of our global customers.

"The challenge is to ensure that the continued reliance on coal is achieved in an environmentally friendly way which allows the world to maximise coal's use as a cost effective source of energy.

The NSW Mineral Council's 2008-2009 Pre-Budget Submission can be found on www.nswmin.com.au

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