



THE COLONG FOUNDATION FOR WILDERNESS LTD.

Monday September 30th, 2019

Treasury
Langton Crescent
PARKES ACT 2600

Dear Sir/Madam,

Submission to Treasury Pre-budget Submission

This submission primarily deals with the creation of a new industry and employment opportunities that can be created in the Lithgow region.

The Colong Foundation for Wilderness Ltd is a non-profit, non-government charity that works for the protection of wilderness and national parks.

The Colong Foundation's submission is geographically focussed on the western margin of the Blue Mountains of NSW that lies within the Lithgow Local Government Area where coal mining is in decline. It examines the Lithgow region as a case study examining a transition framework for an emerging tourism industry.

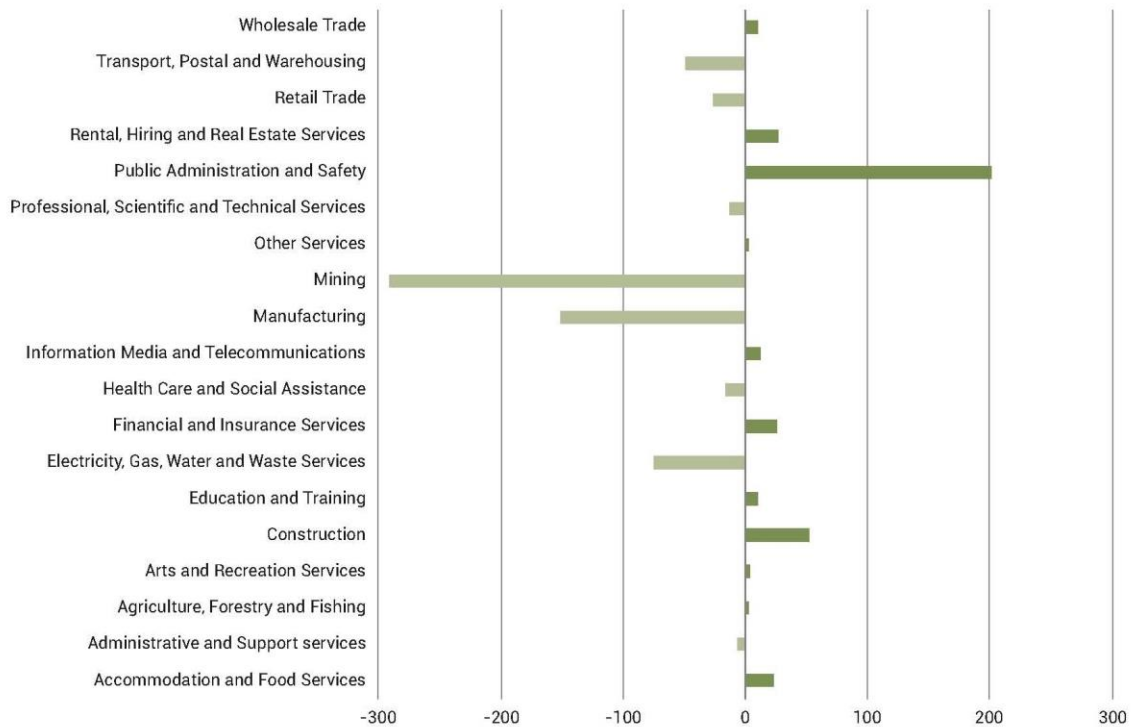
Mt Piper Power Plant some twenty kilometres north of Lithgow has an operational life until 2043 (reference - Energy Australia media release, 20 September 2018). Coal resources in the Lithgow region for this power plant will be exhausted around that date. The primary mines that provide the coal to the plant are Springvale and Angus Place coal mines, the later currently is in care a maintenance.

The Western Coalfield is exceptional as coal resources in the southern half of this coalfield that can be accessed by the Mt Piper power plant are near an end. So, no matter where you sit on the political spectrum regarding coal mining, the issue of transition for the Lithgow region cannot be kicked down the road. The timeline for the youngest coal-fired power plant in NSW is 25 years, but economic, geological, political and environmental factors may curtail operations before then.

There has been a marked decline in mining employment in the Lithgow region in recent years (see below). This mining sector decline is not a passing trend but occurs in a context where future mining opportunities are limited.

As a result of these factors, when compared to regional NSW generally, Lithgow has lower household incomes, high levels of disadvantage, young people leaving the area and so an aging population. These are the symptoms of a flagging regional economy.

To avert this broad economic prognosis, the broadest possible political support should be developed for a Lithgow region economic transition plan to avert further regional decline.



Source: Roderick Campbell (Australia Institute) using ABS data from 2016 census

Development of Lithgow’s tourism economy – a key opportunity

Lithgow is working to expand and diversify its economy and local employment opportunities, preferably *“linked to the unique character and advantages of the Lithgow region”* (Lithgow Community Plan 2030). Tourism is an industry that meets these specifications and has significant growth potential. Lithgow can be the new Katoomba.

In 2016/17 the value of Lithgow’s tourism economy was 4.9% of the total industry output in the LGA. Across NSW as a whole, tourism represents 5.9% of total industry, suggesting Lithgow is underperforming with room for expansion in tourism. Tourism industry values and employment have increased overall since 2000, but slowly and erratically, as shown in the tables below.

Lithgow’s small tourism industry is based around attractions, such as Lake Lyell and industrial heritage sites but there is potential for development of other opportunities.

Lithgow is less than an hour by road or train from the well-established tourist ‘Mecca’ of the Blue Mountains, which attracts 5 million visitors a year. Crowding is starting to diminish the amenity of many sites in the established ‘core’ Blue Mountains area, and the attractions in the Gardens of Stone are in the forests beside Lithgow are in many ways more accessible and family-friendly.

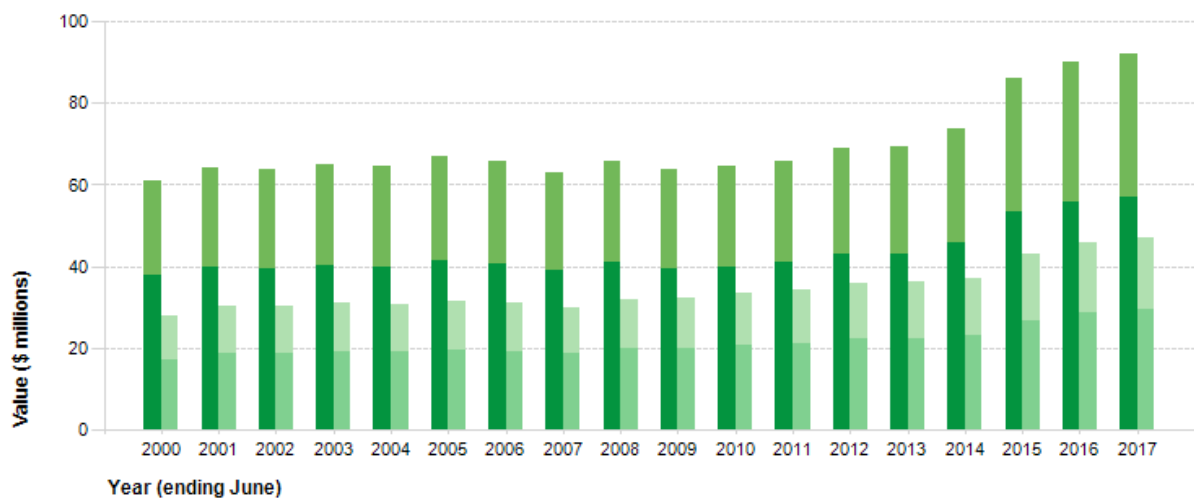
The Lithgow Community Plan 2030 lists “Turning Lithgow into a hub for visitors to the Blue Mountains region, bringing more people to the area that stay for longer periods of time” as a Priority Project.

The Colong Foundation believes that a well-presented, well-planned Gardens of Stone State Conservation Area would achieve the above goal in one step, by creating a new, large and diverse multi-day attraction, close to the Blue Mountains, with vehicle access planned to make Lithgow the gateway community for this proposed reserve. Data from comparable parks suggests such a reserve could attract 200,000 visitors a year (which by way of comparison is 5% of visitors to the Blue Mountains, so this is a conservative estimate).

Value of tourism and hospitality

Lithgow City Council

Output/Sales - Direct Output/Sales - Indirect Value added - Direct Value added - Indirect



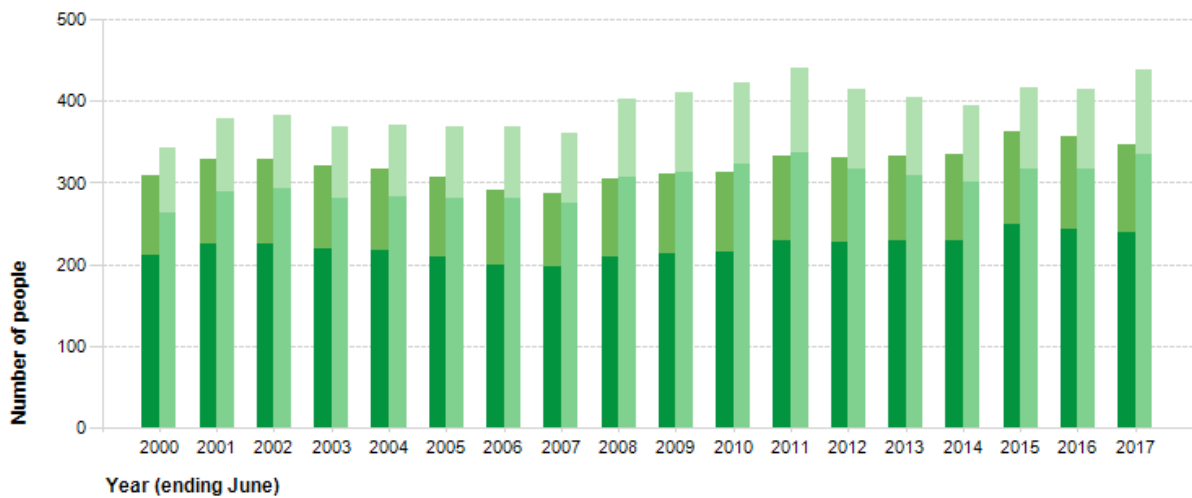
Source: National Institute of Economic and Industry Research (NIEIR) ©2016
Compiled and presented in economy.id by .id the population experts



Tourism and hospitality employment

Lithgow City Council

■ Employment (FTE) - Direct
 ■ Employment (total) - Direct
 ■ Employment (total) - Indirect
■ Employment (FTE) - Indirect



Source: National Institute of Economic and Industry Research (NIEIR) @2016
 Compiled and presented in economy.id by .id the population experts



Destination Pagoda

The Colong Foundation, Blue Mountains Conservation Society and Lithgow Environment Group have developed a reserve establishment and visitor plan that positions Lithgow as the gateway to the Gardens of Stone area. [Destination Pagoda](#) proposes to significantly increase the number of visitors to Lithgow through the creation of new visitor opportunities in a state conservation area reserve in which underground mining is permissible.

The Australian Geoscience Council Inc, a peak professional society for geology in Australia, has also identified *Destination Pagoda* to be a key region for major geotourism development in NSW. This submission quantifies the projected social, economic and environmental benefits should *Destination Pagoda* receive adequate funding.

A state conservation area reserve is required for this region because the public forests beside Lithgow with outstanding heritage assets are within mining leases and most of these leases have a valid planning consent to mine coal. The reserve's status does not indicate a lower relative importance relative to the national park, but rather that mining shall continue to be permissible in the new reserve. Newnes Plateau is the 20th most floristically biodiverse of all 550 State Forests and 850 National Parks & Reserves in NSW, just behind Ku-ring-gai Chase National Park, and the Ben Bullen forests to the west are equally diverse.

The untapped tourism value of Lithgow's *Gardens of Stone* backyard lies in the diversity and rarity of its scenery and native flora, and in its Aboriginal cultural heritage. These values should be protected and then enjoyed by thousands of people through the creation of recreation facilities that will enable families to get close to nature while still being able to have lunch in town.

New South Wales and Sydney's five million residents would benefit from such a family-friendly destination as an alternative and extension to the traditional Blue Mountains tourist sites that have become crowded.

The aim of *Destination Pagoda* is to secure broad political support for the protection and effectively management of the internationally significant pagoda landscapes of 39,000 hectares of public forests and to strategically develop basic visitor attractions that will secure Lithgow's future as a tourist destination.

A new Gardens of Stone State Conservation Area with appropriate tourism development will be a win for the economy, community and environment of Lithgow and New South Wales.

Destination Pagoda will make a major contribution by creating opportunities for several sectors of the potential tourist market that Lithgow has not yet developed. Visitors to a new State Conservation Area reserve will then obtain a range of services from a 'gateway' Lithgow, including food, drink, supplies, accommodation, outdoor equipment, fuel, entertainment, restaurants, transport and guided tours.

If half of the \$28 million dollars which would be spent by 200,000 *Destination Pagoda* visitors per year are captured by Lithgow, this would achieve a significant boost to local tourism output plus the creation of about 117 new jobs (page 8, [Destination Pagoda](#)). This 'economic hit' could produce major flow-on benefits and lift the local tourism industry to a dynamic level of opportunity where visitors see Lithgow as an exciting place to visit.

The establishment and ongoing management of the State Conservation Area will also inject additional direct and indirect expenditure and employment into Lithgow LGA, almost certainly including a National Parks and Wildlife Service (NPWS) base established in the town and its associated flow-on benefits.

Only Lithgow's iconic pagoda landscapes have the cachet that can define the town as a major tourism destination. Katoomba has the 3 sisters, while Lithgow has 3,000 pagodas. *Destination Pagoda* is a vision that is linked with and integrated to its industrial heritage, particularly through the Lithgow State Mine Museum and Railway and the cultural values of Wiradjuri Country through Maiyingu Marragu Aboriginal Place.

Protecting important values

The Gardens of Stone State Conservation Area is a unique opportunity to protect a magnificent landscape of rare pagoda rocks, gorges, beautiful forests and swamps and a large number of threatened plants, animals and ecological communities (84 threatened plant and animal species, e.g. Blue Mountains Water Skink, and 16 rare and threatened communities). Several of these biological highlights are found nowhere else in the world; potentially making *Destination Pagoda* an international tourist attraction.

The area has significant Aboriginal heritage and historic industrial features, which can be protected, presented and celebrated within the new reserve (with appropriate cultural and heritage approvals).

Investing in Lithgow's future

Achieving the tourism potential of Destination Pagoda requires government investment of an estimated \$31.6 million over the first 10 years, and \$800,000 annually ongoing (as part of the overall budget for managing parks and the environment across NSW). This will not be a 'transfer payment', as most of Lithgow's visitors will be new visitors from Sydney or visitors who would have otherwise had a less satisfactory experience at the traditional Blue Mountain sites that are becoming crowded. The initial investment would establish professional land management, improve access roads, develop a range of environmentally sustainable visitor facilities, restore degraded areas, promote the area for visitors, support local enterprises to benefit from investment in the reserve and protect important values. This level of government investment is required to generate the resultant economic benefits and associated regional employment growth.

Developing and promoting *Destination Pagoda*

Existing access roads will be managed by the NPWS to provide 2WD and 4WD touring routes which are linked to specific attractions. Facilities will be developed to support low-impact, family-oriented activities including camping, bushwalking, sight-seeing, picnicking, Aboriginal heritage viewing, mountain bike touring, education, birdwatching, nature study, canyoning and rock climbing.

The presentation of the new State Conservation Area to achieve its tourism potential will require a detailed program of information, promotion and interpretation, to present Lithgow as part of the Destination Pagoda experience. Signage, printed material (maps, brochures, etc) and electronic media will all be important, along with promotion by local industry and government. Formal conservation tenure (as a State Conservation Area) with effective and professional management of conservation and recreation, is an essential prerequisite to promotion.

Suitable funding

Lithgow is extremely fortunate to have this opportunity to develop a world class tourism destination that will build on its existing attractions.

By upgrading a loop road over Newnes Plateau from State Mine Gully Road, north to Maiyingu Marragu Road and then west to the Wolgan Road, three classes of tourist attraction would become available to Lithgow's future visitors.

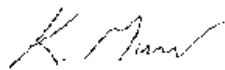
Lithgow's iconic Blast Furnace Park and State Mine Heritage Park and Railway are situated beside State Mine Gully Road and already showcase the town's industrial history. The proposed Gardens of Stone reserve is centred on Newnes Plateau adjoins the heritage park to the north. Its scenic and internationally significant pagoda landscapes give Destination Pagoda its visually stunning and unique marketing cachet. Then to the west, scenic Maiyingu Marragu Aboriginal Place near Wolgan Gap offers accessible cave art and an insight into the Wiradjuri, the largest Aboriginal group in NSW.

Except perhaps the city itself, no other destination Sydney offers a day trip with three such diverse quality attractions. We do understand that a transition of forest land to a state conservation area is a NSW Government responsibility, but if the Federal Government were to indicate that it would favourably consider an application to fund an specific this program, then this would assist those in the NSW Government working to bring this transition about.

The Colong Foundation estimates that achieving the tourism potential of Destination Pagoda requires a government investment of \$31.6 million over the first 10 years, and it is during this period that the Federal Government should assist with this transition program. **As described above, the upgrade of key roads is a critical major budget item, which is estimated to cost \$5.5 million. This aspect of the transition would give the Federal Government credit by bringing together Lithgow's industrial cultural heritage with its outstanding natural and cultural heritage, thereby making Lithgow a major tourism destination.** If Federal Government were to offer funding in invite the NSW Government to make an application for specific transition tasks in relation to Destination Pagoda, it would enhance Lithgow's environment, community and economy.

More details on the [Destination Pagoda](#) vision (see page 33 for roadworks), including a proposed Master Plan map (page 28), see the attached detailed report.

Yours sincerely,



Keith Muir
Director
The Colong Foundation for Wilderness Ltd