

Standing Committee on Legislation - inquiry into the Mining Legislation Amendment Bill 2015

SUBMISSION TITLE

UNNECESSARY COSTLY DOCUMENTATION, LACK OF CONSULTATION AND NOTIFICATION

Submission by: Mick Photios

Name and contact details:

[Mick Photios](#)

I have been a prospector, small mining+process operator for 40yr. I have an average production of 2,000 ozs of gold per annum. I have 3 MLs, 1 EL and approx. 15 PLs and spend more than \$200,000 per year on exploration

General background to this submission

Our sector of the mining industry has been totally ignored in the consultation process for the 2015 mining amendments. The increased burden and duplication of reporting on small mining and process operators. The necessity to employ environmental consultants to complete Mining Proposals and applications for Dangerous goods site licence. The reduction of operating parameters for small scale miners from 50,000 tonnes per annum to 30,000 tonnes per project.

It's also important for me to explain the culture of distrust which has been prevalent during environmental relations between medium-sized miners and the DMP for many, many years.

The DMP has been slowly changing the goal posts over the past 10 years, making it harder and more complex for small miners and processors.

This makes it near on impossible for miners to plan long-term projects. For example, the Program of Works, Prospecting (POW-P) has been changed three times in 12 months.

The case supporting this submission

SCOPE:

Small mines which have the scope of my operations (explained above) have been excluded from low-impact mining classification over the past decade.

This Mining Amendment Bill only confirms that stance.

When we apply for a mining proposal, it costs in the vicinity of \$250,000 to lodge a mining proposal because we have to hire expensive consultants because of the complex requirements of the proposal.

In the latest addition of the DMP's environmental newsletter, it was stated that the State Government's focus was to "improve assessment and approvals of MAJOR projects, including mineral, petroleum and geothermal proposals".

We used to be able to (pre 2010) mine up to 50,000 tonnes per annum on a low-impact mining operation. Now we can only mine 30,000 tonnes for the entire project.

On my leases, I would currently mine 30,000 tonnes of ore and 30,000 tonnes of waste per annum.

This affects my business plan as I am now classified beyond the realms of low-impact mining.

It would be disastrous for my business to be classified amongst the high-impact model.

I cannot compete with the cost model of large operations such as Northern Star and KCGM.

I believe there needs to be consideration within this Mining Bill for operations which are a relative size to my own to have their own classification.

PURPOSE:

The Government says this Bill aims to "modernise and simplify" environmental regulation of the mining industry.

The DMP has also stated that the Bill will allow for better service delivery and enhanced effectiveness of Government.

The problem with this assertion is the Bill also includes the requirement for an Environmental Management System (EMS). This will only increase duplication and create more paperwork, and flies in the face of an argument which claims this Bill will cut red tape.

I would much rather see more inspectors on the ground with experience to assist new operators in best practise.

STRUCTURE

I take issue with some of the items which are included in the Bill and, more to the point, with matters which are omitted.

Part IX s. 162 gives DMP officers the power to take and remove samples of any substances or thing whatsoever at a mine without paying for them.

It also gives DMP officers the power to take possession of any plant, equipment or other thing for further examination or testing or for use as evidence.

Furthermore, the section gives officers the power to interview any person the inspector believes can provide information and record the interview with or without the person's consent.

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I would argue that this section of the Bill is illiberal and overly severe.

The low-impact mining definitions are not included in the Bill. They are to be included in the regulations. I believe these definitions must be included in the Mining Act, which is not so easily altered and tampered with. The mining industry needs and deserves clarity and certainty when it comes to business models and planning. Enshrining the definitions for low and high (and ideally, medium) impact mining would serve this purpose.

I believe there should be a separate approvals process for medium-sized miners, such as myself, which mine between 50,000 – 1 million tonnes for the life of the project. I would like to see these measures included in the legislation.

The DMP plans to duplicate reporting practices for environmental management systems by making miners fill out an EMS for haul roads, power lines and pipelines.

This is a waste of time and money as the environmental provisions are set out in mine closure plans.

The DMP have introduced an Annual Environmental Report (AER). When it was first introduced (in early 2000s), most of which is already duplicated in the Mining Rehabilitation Fund (MRF).

This Bill proposes a further Environmental Management System (EMS), which will place further undue cost onto the medium-sized miner.

Summary

The more time and money I spend on paperwork, the less time and money I can spend on exploration and production and the less profitable will be my business , for no measurable benefit.

Signed _____ . Date 24-3-2016 .

Name

Mr Mick Photios wishes to appear to give evidence personally before the Committee of Review. Can you please allocate an appearance time at your Kalgoorlie session on Monday 11th of April.