

19 September 2023

Ms Joni Woollard
Director, Mining Remediation
Legacy Mines Unit
Department of Industry Tourism and Trade
GPO Box 4550
Darwin NT 0800

By email: lmu.ditt@nt.gov.au

Dear Ms Woollard,

Legacy Mines Remediation Draft Bill 2023

The Minerals Council of Australia – Northern Territory Division (MCA NT) welcomes the opportunity to provide a submission on the Legacy Mines Remediation Draft Bill.

As the peak industry organisation representing Australia's exploration, mining and minerals processing industry, the MCA advocates policies and practices to deliver a safe, profitable, innovative and environmentally responsible industry that is attuned to community needs and expectations. The minerals sector in the NT is committed to operating responsibly including strong commitments to improve rehabilitation methods to ensure mining's compatibility with current and future land uses.

The NT minerals industry makes a significant contribution to the territory economy and the remediation of mining legacies.

The NT's minerals sector contributed \$367 million in royalty payments in 2022-231. Additionally, the minerals sector contributes to the Mining Remediation Fund (MRF) through the non-refundable annual levy of 1 per cent of the total calculated rehabilitation cost of each mine under the *Mining Management Act 2013* (MMA). The fund currently has a balance of \$74.2 million with only a small percentage of \$4.5 million was expended over the past financial year.¹

The minerals industry is committed to upholding high environmental standards, including world-class rehabilitation and mine closure². The industry is increasingly using circular approaches in the NT, as demonstrated through the reprocessing and rehabilitation of legacy tailings^{3,4}

The minerals industry recognises historic mining practices and absence of adequate regulation has resulted in abandoned mines that have not been appropriately rehabilitated, the presence of which can undermine public confidence in the ability of the modern industry to manage its long-term environmental impacts.

Level 1, 46 Smith Street Mall Darwin NT 0800 GPO Box 510

Ph. +61 8 8981 4486 Email. info.nt@minerals.org.au minerals.org.au ABN. 21 191 309 229

¹ Northern Territory Government, Northern Territory Government Budget 2023-34, Budget Paper No 2. Budget Strategy and Outlook, Northern Territory Government, Darwin, 2023.

² Energy Resources of Australia, <u>ERA Annual Report 2022</u>, Darwin, 2022, viewed 08 September 2023.

³ Elmore Limited, *Elmore Limited FY23 June Quarter Update*, Perth, 2023, viewed 08 September 2023.

⁴ Northern Iron, <u>The Warrego Rehabilitation Project</u>, Darwin, 2023, viewed 08 September 2023.

Remediation of legacy mines in the NT is important for both government and industry to enhance trust and community acceptance of the sector.

The Minerals Development Taskforce (MDT) Final Report identified opportunities to drive investment in the minerals sector across the entire lifecycle of a mine. A key recommendation prioritised by the NT Government is the need for the mining industry and government to collaborate to secure social licence, promoting the sustainability of the sector and proven environmental, social and governance credentials.⁵

Collaboration between the minerals sector working alongside government and communities to remediate and reduce health and safety risks associated with legacy mine sites is a significant opportunity to address these risks while enhancing community acceptance of the industry.

Responsible and measurable expenditure of the MRF to achieve remedial works can publicly demonstrate a mature and proactive government regulator.

The MCA NT is pleased to see the government prioritising the Legacy Mines Unit with an increase in the NT Budget of \$1.7 million over two years to accelerate and expand remediation of legacy mines. ⁶ This funding should be ongoing and lead to a series of projects across the NT. The modern mining sector have expertise in mine rehabilitation and closure including experienced site professionals and the equipment already mobilised across remote parts of the NT. Furthermore, the industry has also invested over many years in research and development to strengthen the science underpinning rehabilitation. Accordingly, the MCA NT welcome opportunities for further consultation and potential collaboration with the NT Government on remediation projects where appropriate. The MCA and member companies have a history of collaboration on these issues with NT and other state and Commonwealth governments as well as research organisations and environmental consultants through initiatives such as CRC TiME.

The MCA NT support the broad aims of the Legacy Mines Remediation Bill as a modern and flexible framework to manage legacy mines and expend the MRF and is pleased to provide the following comments.

General Comments

The Territory Economic Reconstruction Commission (TERC) Final Report states that the NT Government should focus on 'making it easier and attractive to do business'. ⁷ A key component is providing project proponents with all the available information and context for decision making. As the NT is known for its transient population with dynamic businesses looking for new opportunities, the suite of legislation and the interaction of part should be clear. Where provisions related to legacy mines or the Bill exist in other pieces of legislation, for example the *Environmental Protection Act 2019* or the *Financial Management Act 1995*, there should be clear mention and links in the Bill. This increase in transparency will benefit the minerals sector, new NT Government regulators and the NT community in general seeking to navigate this complexity.

Purpose of the Mining Remediation Fund

The original purpose of the MRF was to be used by the NT Government for:

Minimising or remediating environmental harm caused by mining activities carried out on legacy mine sites, or by legacy mine features

The new legislation has been expanded with a new secondary purpose of:

⁵ Mineral Development Taskforce, *Mineral Development Taskforce final report*, Darwin, 2022.

⁶ Northern Territory Government, Northern Territory Government Budget 2023-34. Budget and Regional Overview, Northern Territory Government, Darwin, 2023.

⁷ Territory Economic Reconstruction Commission, <u>Territory Economic Reconstruction Commission final report</u>, Northern Territory Government, Darwin, 2020.

Conducting investigations and research related to environmental harm caused by mining activities carried out on legacy mine sites or by legacy mine features.

Detailed context or clarification on the intent of the purpose would be beneficial to determine the benefits. MCA NT would support programs such as mine waste characterisation, or innovative trials on a legacy mine sites. However, industry would not support expenditure of the MRF for staff training and development opportunities or for participation in CRCs and other academic collaborations. MCA NT recommend either clarification of the terms 'investigations and research' in Part 1 Section 3 or providing additional context in Part 2 Section 8 and the Legacy Mines Policy.

Furthermore, care needs to be taken to balance the two intents of the fund and ensure the MRF prioritises remediating legacy mines. In Western Australia, pilot projects can only be undertaken using funding from interest earned on the MRF.⁸ MCA NT recommend a similar approach is taken by the NT Government to future proof the fund and provide greater transparency.

Payments from the Fund

Payments for research or scientific studies should be provided on the agreement that a report is provided back to government and available to the public in a timely manner. There is always a risk that providing public money for scientific studies may lead to material published behind a scientific journal paywall or provided to the government in an internal-only report. This is at odds with the principle of research funded by public money. The NT Government's Geoscience Exploration and Mining Information System (GEMIS) would be an appropriate place for government funded research to be stored. MCA NT recommend updating the terms in the bill to specify that any payments must provide regular progress reports with a final report published on GEMIS.

The MCA NT also have significant concerns that Part 2 Section 9 (3) (b) allows for public money to be provided as financial incentives. This appears to be in odds with the *NT Government Procurement Governance Policy* and the *Financial Management Act 1995* that provide clear processes to procure the provision of clearly defined services through written agreement and a public tendering process to deliver open and effective competition, ethical and fair dealing and value for Territory. MCA NT suggest further clarification is needed, or removal of this clause.

Reserved legacy mine sites

A new part of the legislation is the provision to establish a reserved legacy mine site. MCA NT agrees that without reserved legacy mine sites there is a risk to government that remediated sites may become redeveloped as historical workings are often scratching the surface of a larger mineralised system. However, establishing a reserved legacy mine site should only occur when there are no economic implications for miners or explorers who are actively developing a project.

A legacy mine site under Part 1 Section 4 refers to land where there is no current mineral lease, extractive mineral lease or mineral authority, therefore there is no significant impact to current operating miners, or those in care and maintenance. MCA NT is concerned that the Bill does not provide certainty to developing projects who may have a pending application for a mineral lease, or an exploration licence holder who are in the early stages of the feasibility process.

The MCA NT recommend providing more detail about how and when the reserved legacy mine site may be established, and if there are mechanisms for consultation prior to the Gazette notice.

Report on expenditure in relation to reserved legacy mine sites

Payments from the fund for any purpose should be transparent and documented in a public annual reports similar to requirements in the Queensland, Tasmania and Western Australian legislation. In Tasmania, quarterly progress updates are also required for each project to ensure regular

⁸ Western Australia Government, *Mining Rehabilitation Fund Yearly report 2021-22*, Department of Mines, Industry Regulation and Safety, Western Australia Government, Darwin, 2023.

accountability. MCA NT issupportive of public annual reporting and quarterly meetings of the Legacy Mines Advisory Panel as mechanisms to ensure transparency and accountability balanced.

Registers

MCA NT are fully supportive of a public register of legacy mine sites and legacy mine features and understand that this may not be as simple as using the NT Mineral Occurrence Database (MODAT), although this is a good first pass methodology currently used by the Queensland Government. 9

A public register will allow for a comprehensive risk assessment and program of prioritisation and remediation work. The current legacy mines audit have identified many more legacy mines and legacy mine features than previously understood. New information on legacy mine sites should be shared with the NT Geological Survey and added to MODAT to avoid inconsistency.

MCA NT also recommends that the public register is available online through the register on one of the NT Government's spatial platforms such as the Spatial Territory Resource Information Kit for Exploration (STRIKE) and Natural Resource Maps (NR Maps) platforms so that stakeholders can map the locations of legacy mines and mine features alongside other key information such as operating mines, mineral occurrences, titles and infrastructure. This is in line with the MDT Final Report Recommendation 1.b.2 Reduce risks and streamline processes for access to land. 5

Authorisation to carry out remediation activity

MCA NT agree with the intent of this provision. Land access can be notoriously difficult to negotiate in the Northern Territory and this is delaying the remediation of health and safety risks.

Consideration needs to be taken to ensure that activities do not impede the operation of current mines or the business of mineral lease or exploration licence holders. The MCA NT recommend early engagement with industry to access legacy mine features near active mine sites as there may be additional health and safety considerations.

Mining remediation levy

The MCA NT suports the decision not to increase the levy from 1 per cent of the mining security amount. Additionally, the MCA NT agrees with provisions for a minimum levy amount as this could reduce the financial burden to smaller operators and the administrative burden on NT Government managing small invoices. There are currently 232 operators in the Northern Territory that pay less than \$500 into the MRF each year and 95 of these operators pay less than \$100.10 A cost benefit analysis could evaluate the minimum levy amount and would allow for the NT Government to focus on important financial administration of tasks and not the collection of small fees.

Powers of mine remediation officer

The MCA NT agrees with the principles for a mine remediation officer to be able to enter and inspect a legacy mine site without unnecessarily impeding or obstructing current mining activities. As noted above, it is important for industry and government to work together to ensure that the safety of personnel onsite, logistical considerations and government outcomes can all be achieved. This may mean that a 10 day notice period is not always achievable.

The MCA NT recommend that government provide longer lead times such as 20 to 30 days for legacy sites adjacent to mine sites to ensure sufficient time to ensure safety arrangements can be put in place.

⁹ Queensland Government, Risk and Prioritisation Framework for Abandoned Mine Management and Remediation, Department

of Resources, Queensland Government, Brisbane, 2021.

10 Northern Territory Government, Securities held for mining sites, Department of Industry Tourism and Trade, Northern Territory Government, Darwin, 2023.

Minister may request information

The MCA NT note that under section 29 (1) the Minister may require a mine site to provide the Minister with any specified information in any specific timeframe or will face a maximum 20 penalty units. As operating miners are not responsible for legacy mine features adjacent to their operation, mine remediation officers should be obtaining the necessary information required for their remediation plans. Depending on the request from the Minister, and the unknown timeframe specified, this could be onerous and unreasonable burden for mining operators.

MCA NT recommend that this section is amended to have more reasonable timeframes such as 30 days minimum to comply with requests from the Minister and to work together collaboratively for positive outcomes.

The MCA NT is available to further discuss the development of this policy at any time and looks forward to working with government in future to ensure that the remediation of legacy works is prioritised and undertaken with cooperation from industry where appropriate. Should you need further information please do not hesitate to contact either myself on 08 8981 4486, or Amber Jarrett, Principal Policy Adviser MCA NT on 0424886662 and Amber Jarrett@minerals.org.au.

Yours sincerely

Cathryn Tilmouth

Executive Director, Northern Australia

Cc: Anne Tan

Deputy CEO, Mining and Energy

Department of Industry, Tourism and Trade

By email: Anne.Tan@nt.gov.au