

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Ms Purick to the Minister for Primary Industry and Resources:

Mining Remediation Fund

In regards to the Mining Remediation Fund, administered by the Department of Primary Industry and Resources to address the NT's legacy mine sites, could the minister provide answers for the following questions.

1. When was the legacy fund established?
2. What is the legal standing of the fund that is, line account, trust or other legal entity?
3. If the fund is in a trust, who set up the trust and who manages the trust?
4. Are there trust members (trustees) and if so, who are they and how were they appointed and for how long?
5. Have the trust members met to discuss the programme and expenditure of monies and how many times since inception and are minutes of meetings public documents?
6. Is there a separate legacy mines unit within the Department and if so, who and how many people are involved?
7. Is there an agreed definition of exactly what is a legacy site and if so, how was it determined and by whom?
8. Separate to the trust or other legal entity managing the funds, is there an advisory board overseeing the funds and programme and if so, who are the people and how were they appointed? Is there an overlap of trust members and advisory board members?
9. How much money there is in the account and do the funds attract positive interest? Does the interest gained go back into the trust fund or into general government revenue? If the latter takes place, who approved for the interest to go into general government revenue? Does industry agree or not with interest going into general government revenue if this occurs?

10. Since the inception of the legacy fund, have any funds been acquitted and if so on what project and for what work? Has an acquittal report been done for expenditure of funds and if so, are these available to the public and if no report, why not given it is industry money being expended and, as funds are in a public trust , monies must be publicly acquitted annually?
11. Are jobs for rehabilitation/remedial work put out for tender and if so, how many contracts have been awarded and to which company/business?
12. How many jobs for rehabilitation/remedial works have not been put out to tender and for what work, location and site?
13. Have annual reports been written for the fund and are these available to the public and if there are no annual reports, why not, given it is industry money contribution?
14. Has an inventory been done for the legacy sites in the NT? Are these sites listed and contain details, including but not limited to, location, environment and safety liabilities and required scope of works? If an inventory is developed which sites are considered high, medium and low risk and how was the risk level determined and by whom?
15. Has a strategic plan been developed for the legacy mines programme and if so, is it a public document, and if there is no plan, why not?
16. How many legacy sites have monitoring equipment installed and at what cost and at which location and for what is being measured? Why are these particular indicators being measured?
17. How many legacy sites exist that are managed by private companies and leases that have not been relinquished?

Response:

1. The Mining Remediation Fund (MRF) (also referred to as the Legacy Sites Fund) was established in 2013, following the amendment of the *Mining Management Act* introducing a 1% annual levy on mine securities.
2. The MRF is held in an Accountable Officer's Trust Account (AOTA).
3. An AOTA is an account authorized by the Treasurer under section 7(1) of the *Financial Management Act* for the purpose of holding money in trust. The *Financial Management Act* (MMA) holds the Accountable Officer directly responsible for the management and administration of any AOTA opened by the Department.

4. There are no trust members.
5. As above, there are no trust members.
6. A dedicated Legacy Mines Unit (LMU) was established in 2014. The LMU consists of a Director, Manager, Senior Environmental Advisor, Senior Environmental Engineer/Scientist and a Support Officer. Recruitment to these positions is in accordance with the *Public Sector Employment and Management Act*.
7. In the *Mining Management Act* it is stated that the MRF is to be used '*in connection with minimising or rectifying environmental harm caused by unsecured mining activities*'. An unsecured mining activity is defined as '*mining activities, whether carried out by a person before or after the commencement of this section, in relation to which the person: (a) provided no security; or (b) provided a security that has been expended.*'
8. In November 2018, a discussion paper titled *The Strategic Direction and Use of the Mining Rehabilitation Fund* was provided to the three main industry groups (Minerals Council of Australia (NT), the Association of Mining and Exploration Companies and the Extractives Industry Association of the NT). This discussion paper included consideration of establishing an independent review panel. This was generally well received by industry and consideration is being given to the format of a review panel and development of a Terms of Reference.
9. The current balance of the MRF AOTA is approximately \$40.8 million. As per the Treasurer's Direction on trust money, interest may only be paid when it is stipulated in legislation. The MMA does not currently provide for the interest to be retained within the MRF.
10. Expenditure from the MRF is reported in the Departments annual report. The annual reports are available of the Department's website.
11. All projects undertaken by the Legacy Mines Unit comply with the Northern Territory Government procurement guidelines. A total of 27 tenders have been awarded to 17 companies.
12. See question 11.
13. The annual expenditure from the MRF is reported in the Department's annual report. The annual reports are available to the public.
14. The Department is compiling a list of legacy sites, including location and site descriptions. In addition, the Interim Working Group will be asked to provide

comment, and an industry perspective, on the risk assessment and prioritization processes.

15. Following the development of the November 2018 discussion paper titled *The Strategic Direction and Use of the Mining Rehabilitation Fund*, a workshop was held with the three main industry groups. The discussion paper included consideration of the formation of an independent review panel and this was generally well received. While consideration is being given to the format a review panel and development of a Terms of Reference, an Interim Working Group has been established.

The discussion paper, and subsequent workshop, were undertaken to help inform the development of a strategic plan. In addition, the Interim Working Group will facilitate industry input into the development of the strategic plan. A strategic plan is being developed, and consultation will be undertaken with key stakeholder on the draft plan. Once finalised the strategic plan will be made public.

16. Monitoring equipment has been installed at the former Redbank Mine, Goodall, Woolwonga and Fountain Head sites. This has included installation of weather stations, pit level, electrical conductivity, and groundwater level monitors. These works cost approximately \$278,000 (excluding GST).
17. There are many historical unsecured mining activities as defined in the MMA on current mining titles. Under the MMA it is the responsibility of the operator to manage the impacts from the site, including any unsecured mining activities.