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Subject: Inquiry into Resources Exploration Impediments

House of Representatives Standing Committee
on Industry and Resources

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Secretary: *[Signature]*

Inquiry into Resource Exploration Impediments

General

Firstly I need to mention the impediments you list tend to cover the areas of concern all except the big one and that is government itself. So in effect you don't need an inquiry you just need to fix things.

However as inquiries are the easy way out for government I will add my thoughts.

I have been involved in exploration for over 30 years and worked for big companies, government, public utilities and small business. The driving force behind resource discovery is small business with big business the developers. That's rule one.

I have found 4 resources personally over the 30+ years I have been involved in the industry; all were in the small business sector. I have found none while in government or big business mainly due to being restricted to single minerals being the focus of exploration and anything noticed on the fringes had to be ignored.

Impediment 1 Red Tape

In the time frame I have worked I notice huge changes in time requirements for fringe issues not directly associated with exploration which come directly from government.

My estimate of time spent non exploration back in early 1970's associated with government reporting, accounting etc would be around 5%, (broken up it would be 1% relating to Mines Dept reporting and filing forms, 3% taxation office requirements and 1% admin). Now I spend 95% on non-exploration functions, broken down as 30% Mines Dept reporting and filling forms for them, 15% taxation office, attending government inquiries 5%, funding activities 15%, and the other 25% with litigation type activities involving lawyers and government departments, Ombudsman and FOI etc. If you look at your advert, clearly you know the problems, however the statement "contributors are encouraged to obtain guidelines on the preparation of a submission prior to preparing their submission" says quite clearly to me that you are no better than those departments causing all the problems. We have to submit everything to the Mines Dept in SA on the correct form, use a specific computer package, report within 21 days; however when we want something from the Department concerned if we ever get a reply we are lucky- its all one way; your way.

Solution is to get government departments to be flexible, want development, do their jobs (a big ask) and stop be purely administrators of the law as they see it.

Impediment 2 Environmental Issues

Again the government has set the agenda here. There are no clear guidelines everything is negotiable. Double standards apply to agricultural development and mining development. The emotional greenie groups get the media attention, frighten the politicians because it is a vote loser and make them out like they are environmental rapists; so the easy way out is the way to go.

Common sense has been lost in this area, the development agendas are hijacked by the greenies and supported by the towns people via the media.

Solution is to let government departments do the environmental impact statements and also outline clearly what has to be done prior to anyone exploring so that if and when they find something they can be guaranteed that it can be developed as long as they follow the rules.

Impediment 3 Heritage Issues

This is a real joke. I just spent a day preparing a submission to the government on my experiences and will just add some points here. Aboriginal heritage sites- I find many but will never mark them on a map

because of the problems they cause. The areas where I work do not have traditional aboriginal groups and their heritage has been lost. However when money is involved heritage issues pop up particularly around mineral discoveries. The same goes for environmental heritage issues; they only seem to be an issue when a development appears likely. With aboriginal issues money should be taken out of the equation and with environmental issues surveys should have been done long ago.

Solution here is simple: aboriginal and environmental issues of heritage significance need to be clearly identified and marked on maps for all to see. No one is adverse to being told prior to exploration to steer clear of certain areas. Keeping sites secret "to protect the site" are no longer acceptable excuses for suddenly finding a heritage site.

Impediment 4 Finance

Quite clearly no-one is going to invest in exploration if there are no rules. There is no support from government to explore just impediments. I cannot get anyone to invest anymore because they know quite well that there are no guarantees that if something is found it can be developed. Recently I spoke with the local minister of mines and discovered that 5 mining leases have been granted in the last 5 years. The people responsible for granting leases must have a terrible time finding something to do to justify their positions within government. Such statistics indicate government has failed the industry.

The only solution is to have a guarantee from government that any mineral discovery made can be developed as long as the development laws are adhered to. Litigation against government departments, ministers etc for stopping development has to stop.

Impediment 5 Native Title

This issue is hotly debated everywhere and until the various governments around Australia decide that all inhabitants have to be treated equally nothing will ever happen. All I see is widening hatred between aboriginal groups and aboriginal families fighting over funds issued by government departments and mining companies. As far as development of mining projects go I haven't seen any impediment here which is stopping projects but I have seen much time and money lost because lengthy negotiations over money involving lawyers is occurring. Lawyers benefit and a new aboriginal industry has emerged which lawyers don't want to have stopped.

Conclusions

All the impediments, causing mineral exploration in Australia to almost cease, have been caused by government. Such things as making gold mining taxable, selling off Australia's gold stocks, imposing over-riding Federal Government environmental laws over project development, red tape, stopping mining because it is a vote catcher etc are all very negative signals given by government. I tried to enlist overseas help from a UK based exploration company and they quite clearly stated Australia does not welcome exploration and they prefer the hostile 3rd world African countries where they are welcomed with open arms and even given army protection. So my suggestion is to forget about your inquiry, you know the problems, just fix them.

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