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INVESTING IN BEST PRACTICE FOR THE MINING AND GAS INDUSTRIES

The NSW Liberal & Nationals Government will provide more than **\$13 million** on a cost-recovery basis for improved compliance measures to support best practice regulatory regimes for the mining and gas industries in NSW.

A new administrative levy will apply to the resources sector to expand Government enforcement functions, as well as assessment, approvals and communication capabilities.

Resources Minister Chris Hartcher said the administrative levy would be an annual charge equivalent to one per cent of the rehabilitation security deposit provided by titleholders across the State.

“The NSW Government’s commitment to the mining industry recognises the key role mineral and gas exploration and extraction will play in rebuilding the NSW economy,” Mr Hartcher said.

“There is a large and growing discrepancy between the funding available for regulatory activities and the expanding mining and gas industries. This will continue to grow as exploration activity increases.

“The new levy will mean the Government is better placed to meet community demands for information, facilitate greater understanding of the resources sector as well as carry out regulatory activities.”

Approximately **40 new positions** will be created to meet increased assessment and approval functions, compliance and enforcement functions and communication and community liaison functions, with most of these positions being regionally located.

Of the \$13.1 million to be generated by the new administrative levy, **\$3.1 million** will be allocated to the rehabilitation of derelict mines including \$180,000 for The Ponds derelict mine in the New England region and \$100,000 for the True Blue mine in West Wyalong.

A further annual charge will apply to mineral and gas tenements which will see the expansion of the New Frontiers pre-exploration data collection initiative to attract further investment in the resources sector.

The budget for this initiative is set at **\$4.5 million** for 2012-13, ramping up to **\$6.5 million** per annum thereafter.

This program was initiated by the former Coalition Government in 1994 under the Discovery 2000 policy.

“The New Frontiers program is an important element supporting mineral and gas investment in NSW, and is one of the key actions in the NSW 2021 Plan to attract and grow investment in the mineral and gas industries,” Mr Hartcher said.

“Currently NSW is the only State that doesn’t impose an annual charge on mining titles. Without this funding the successful exploration program would cease to exist.



Budget 2012-13

Building for the Future

“Government geoscience underpins private exploration and leads to new discoveries, crucial to ensuring that the NSW resources sector continues to grow strongly and supports regional employment growth.”

In 2012-13, **\$27.3 million** is being provided for drilling and research and development of low emissions technologies under the NSW Government’s Coal Innovation NSW Fund.

“The NSW Government recognises the enormous benefits the resources sector delivers to this State, including employment of over 35,000 people directly and nearly 86,000 people indirectly through mine and non-mine related services,” Mr Hartcher said.

“The NSW Government will continue to support the ongoing development of the NSW mining and gas industries to ensure the continued expansion of the State’s resources sector and associated economic growth.”