



The Hon Chris Hartcher

Minister for Resources and Energy

Special Minister of State

Minister for the Central Coast

MEDIA RELEASE

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MILLION DOLLAR FINES FOR MINING AND CSG BREACHES

The NSW Government has introduced legislation into Parliament which increases fines paid by mining and coal seam gas companies for breaches of exploration and mining laws.

The increased penalties follow the release of the Strategic Regional Land Use Policy and a toughening of the enforcement and compliance framework.

Resources Minister Chris Hartcher said the amendments recognise the serious nature of environmental breaches and make sure resource companies are held responsible for any unauthorised activity.

“A breach of a condition or a direction could have the potential to significantly impact the environment. The amendments show how serious the NSW Government is about preventing harm and dealing with those who do the wrong thing,” Mr Hartcher said.

“The current penalties are inadequate to act as effective deterrents for a potential breach or wrongdoing, particularly in relation to environmental management.”

Fines of up to \$1.1 million will apply to corporations and \$220,000 to individuals for certain offences, including mining without an authority, failure to comply with a direction and breach of a condition. Maximum penalties have mostly increased ten-fold.

The NSW Government is also removing the royalty holiday for coal seam gas producers to support the establishment of Regional Community Funds and to ensure local communities benefit from local operations.

“From 1 January 2013, royalty payments – at a rate of 10 per cent – will commence when petroleum production starts. This will apply to all current and future production leases,” Mr Hartcher said.

“Given that the resource is owned by the public, it’s also essential that local communities and the people of NSW benefit from the production of coal seam gas through royalties and investment in communities in which the industry operates.”