

MINING (MISCELLANEOUS) AMENDMENT BILL – 27/28 Oct 2010

Adjourned debate on second reading.

(Continued from 15 September 2010.)

Mr PEDERICK (Hammond) (17:53): I rise to support the Mining (Miscellaneous) Amendment Bill 2010. I believe it is not before time that we are making some amendments to the Mining Act 1971—almost 40 years, as the member for MacKillop rightfully observed. I will go over my relationship with potential mine material, because I want to ensure that the Treasurer understands any relationship I have had with rubble pits and other mines.

I believe that my family, in the late 1970s or early 1980s, had an experience with the highways department on our farm at Coomandook when it was realigning the road from Taillem Bend. It did a major realignment, following the railway line instead of going out to Moorlands where the former Dukes Highway is. It undertook a major realignment from Taillem Bend straight down the railway line through Cooke Plains, which cut off some 12 kilometres of driving.

We had a couple of stone hills on our property that, when tested, I believe had pretty good quality road base or rubble. We had certainly used some of this road base on the farm, but for a range of reasons the commercial use of that road base did not come about. But I believe there would be hundreds and thousands of tons on our property, being situated in the Limestone Coast, and it is very good material. We certainly have a couple of pits on the property that we use for filling in on the sheep yards and for tracks through the farm. There are also local sand mines in the area, and we have used a little bit of sand from our own property.

I declare my interest having worked in the mining industry. In 1982 I went to the Cooper Basin, based mainly in Moomba, but then working all around on scrapers mainly and bulldozers, building leases for oil rigs, airstrips and road-making in the Cooper Basin. It was very interesting and challenging work for a young lad; it is a challenging environment. I have noted on my recent visits to mines in the Upper North how incredibly conditions have changed for people in mining. I just look at the camps, and there is an explosion of amenities, which is good, I must say.

The Hon. K.O. Foley: That's an interesting turn of phrase: 'explosion of amenities'.

An honourable member interjecting:

Mr PEDERICK: Well, yes—a major improvement in amenities for people working in mines. I remember visiting Prominent Hill at the opening of the mine and I was very impressed with facilities up there with links to the internet, satellite TV in every room and mobile phone coverage, which back in the early eighties was not around. It was an exciting time, so for 12 months in 1982—and I have spoken about it in this place before—until early 1983 I was earthmoving.

I then worked for a company called Gearheart Australia, which was taken over by Halliburton, in well testing and running what are called 'guns' in the field. These guns have a four-inch steel casing with 22-inch steel piercing cartridges loaded into them to fracture the oil seams. It is not bad work on the surface, and you always hoped that you would never bring up a gun unexploded. It was interesting

work, but it was a bit hard when everything is happening 10,000 feet below you and you cannot see the results of your work.

Things have progressed remarkably in the field of mining. Occupational health and safety has moved ahead in great leaps and, as I said, conditions have improved for mining companies and people in the field. But then we get to the latter day where we have far more mines outside of areas like the Cooper Basin or Prominent Hill. There are far more mines in suburban areas—and by that I mean the local farmlands and not out in the pastoral zone. But this is not a new phenomenon.

Look at the silver mine which opened up in the early to mid-1800s at Glen Osmond. Charlie Hill Smith has been the owner of that property, and it has recently come onto the market. I have been to several interesting events there, which I will not go into here. It is an interesting property where one room backs straight into this old mine and there are the old original rail tracks and old railcars for the mine through there. So, mining in more settled areas has happened well and truly in the early days of settlement in the state and it is starting to expand further into other areas. I seek leave to continue my remarks.

Oct 28 (Continued from 27 October.)

Mr PEDERICK (Hammond) (15:38): I rise to complete my remarks in support of this bill. In my concluding remarks yesterday, I spoke about the prevalence of new mines in more suburban-type areas. As I said in my speech last night, when I say 'suburban' I do not mean in the pastoral areas but more like farming areas or closely built-up areas.

Mr Williams: The inside country.

Mr PEDERICK: The inside country, that is the appropriate term. Thank you, member for MacKillop. That has created a whole new regime as far as mining in this modern world. I indicated in my comments yesterday about how mining did occur in built-up areas over many years. If the silver mine at Glen Osmond was not the first mine in this state, it would have been one of the first.

I want to speak about two mines that have been in my electorate. The Strathalbyn mine, which is no longer in my electorate because of redistribution, and the Australian Zircon mine at Mindarie. I am pleased to say that the current Minister for Mineral Resources Development invited me to the ceremonial turning of the sod pre the 2006 election. I was glad that I could be part of that event and appreciated the minister giving me the opportunity to be there.

I have also been heavily involved with the Strathalbyn Terramin mine since before its inception. In fact, it was quite an issue to deal with as a candidate trying to gain a seat in this place and having to make sure that all the appropriate actions were taken to make the residents of Strathalbyn and surrounding districts feel comfortable with having a mine within about 1.5 kilometres of the town. In the main, both these mines have operated reasonably well, although there have been issues.

Obviously, mining is an expensive occupation. I can understand companies wanting to gain the resources with the least cost. I can certainly understand that coming from my farming background. As I said, there have been issues. Sadly, Mindarie is in recess at the moment. I think there is still a lot of potential there. There are issues with how the zircon sands were mined. I think there were issues about the depth of the resource and some of the management that went along with that. It went from a model that was going to be a moving plant to a piped slurry system of mining.

As I said, sadly it is in care and control at the moment. Thankfully, it has not just been shutdown, it is in care and control.

Recently, I had some constituents (the Crouches from Mindarie) contact me because they are very concerned about some of the rehabilitation that is still to take place. I must say, I was pleased that the minister and his assistants came up to Mindarie only last week to have a good look at this. It has been an ongoing issue. Previously, I believe the mining operator did exceed some of the recommendations of the mining and rehabilitation program. In fact, about three kilometres of mining needed rehabilitation, when, I believe, under the plan, they should have only been 750 metres ahead of the rehabilitation program with the actual mining.

However, things are looking up, I must say. Some compensation has been paid. There are still moneys owing to farmers. There are new operators. I believe Lucas Earthmovers is completing some of that rehabilitation. I note that the minister took it on board that they need the appropriate people from PIRSA to be there when the top soil goes back into place so that these lands can be rehabilitated to support the appropriate style of farming and yield levels that these lands were at before. These are the issues that have been developing over years with farming in this state and with access for miners to farming land.

There was a lot of angst in the lead-up to this mine. I hope it all works out in the longer term because I support both the exploration and mining of minerals in this state but I also heavily support agriculture and we must make sure that we get the right result for both sectors.

The Strathalbyn mine has certainly had its issues. Part of that has been because more water than modelled turned up in the mine. It obviously needed dewatering. It certainly needed extra water and tailings to be placed into the tailings dam. I am a member of the Strathalbyn Consultative Committee and we have worked with the mining company (Terramin) to try to get that remediated as soon as possible.

Sadly, in some of these cases, things have taken far too long. However, things are on the increase here as far as solutions being found. A reverse osmosis plant has been brought in from Dubai. There were a few issues in getting that going but I believe that the company is on track to make sure that it complies with its mining and rehabilitation plan.

In the overall picture of mining in general that is part of the reason that the Mining Act 1971 and had to be updated. We needed to make sure that miners and people living in built-up areas could cohabitate, basically, so that they could enjoy the resources of the state but that we do not knock around people's lives and their lifestyle. There are certainly issues at Strathalbyn about lead (it is a lead and zinc mine) and various monitoring is going on—wind monitoring and testing of levels in water tanks around the towns—so there ongoing monitoring happening.

People in the wider community need to realise that there is going to be more mining in settled areas because there are a lot of resources there to be had. In the same vein, we have to make sure that the miners work in the best interests of not just their companies but also the community. That is part of the reason why the Mining Act is being amended, I believe, so that compliance can be better managed by the minister and the Department of Primary Industries.

I note that some of the fines increased heavily, some from \$100,000 to \$250,000 for compliance. In fact, new environmental provisions have come into the

act which help with overall mining programs. I note that there are new parts 10A and 10B. Part 10A is 'Programs for environment protection and rehabilitation'. It states:

The object of this part is to ensure that the holders of the mining tenements—

- (a) provide adequate information about the mining operations that will be conducted under the tenements;
- (b) ensure that mining operations that have (or potentially have) adverse environmental impacts are properly managed to reduce those impacts as far as reasonably practicable and eliminate, as far as reasonably practicable, risk of significant long-term environmental harm; and

(c) ensure that land adversely affected by mining operations is properly rehabilitated.

Part 2 of that section states that:

The Minister must, in acting under this Part, have regard to, and seek to further, the objects of the Natural Resources Management and 2004.

Hopefully, in the future, when the bill is gazetted as an act, we will see some good outcomes. I think it is a good thing for this state. As I said, there is a lot more mining happening on the inside country.

An honourable member interjecting:

Mr PEDERICK: 'Inside country' is below the pastoral zone.

Mr Williams: Inside the dog fence.

Mr PEDERICK: Inside the dog fence, where the rubble pits are. As I said during my contribution, things have changed a lot, even in the outback mines. There is far stricter compliance on people's behaviour in motor vehicles and far stricter compliance with occupational health and safety but also with environmental outcomes in the pastoral zone. As I stress, on the inside country, in the suburban areas and near townships we have to make sure that we get it absolutely right.

I must say, in regard to the two mines that I deal with in my area as a member still of the Strathalbyn consultative committee, they have generally done pretty well.

However, as I said, they have both had their issues. For instance, at Strathalbyn we are putting dimmer lights so they do not upset people at night and mounds so you screen off the plant. In fact, if you drive down the Strathalbyn-Callington Road you would barely know there was a mine in there, which is a good thing. It has to be managed well into the future, and in regard to both of these mines it is the rehabilitation that counts, because tailings dams will be there basically forever, and they need to be managed in such a way that the people of the community are happy.

In summing up, I do support these amendments and I wish both the mining sector, the agricultural sector—because they are the people that need consulting as well—and the communities of this state all the best moving ahead. Let us hope that we have a big, bright mining outcome for this state. In the bigger sense, I certainly wish BHP Billiton all the best with its Olympic Dam expansion; it will bring great wealth to this state.