



28th January 2014

David Sullivan
Committee Secretary
Senate Foreign Affairs, Defence and Trade Committee
PO Box 6100
CANBERRA ACT 2600

Dear David

Inquiry into Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013

Thank you for the opportunity to comment on this Amendment Bill.

The Association of Mining and Exploration Companies (AMEC) is the peak national industry representative body for mineral exploration and mining companies within Australia, some of which are small and emerging companies with projects in South Australia.

AMEC sincerely appreciates and has previously formally supported the significant efforts that have been made to improve the access framework for coexistence in the WPA for the mining sector while preserving the security of defence activities.

AMEC notes that the South Australian Government has assessed that over the next decade about \$35 billion worth of development including iron ore, gold and other projects would be possible.¹

AMEC acknowledges that the Bill establishes a co-existence framework that provides all non-Defence users within the Woomera Prohibited Area (WPA) and industry generally with a level of certainty over defence activity in the area and allows users to make commercial decisions with some assurance.²

It is for these reasons that AMEC strongly supports the proposed legislation which gives effect to the recommendations made in the Final Report of the Review into the WPA, and accepted by the previous Government in 2011.

AMEC is however concerned about some important administrative, operational and 'on ground' issues associated with the implementation of the legislation.

¹ Amendment Bill Explanatory Memorandum – page 2

² Ibid

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These concerns have been expressed to the WPA Coordination Office during the consultation process in relation to the draft WPA Rules 2013 and the Draft Access Deed. However no comment or responses have been received in respect of either.

AMEC accordingly summarises the concerns about the draft Rules and Access Deed again to ensure that they are acknowledged and addressed through this Inquiry process:

1. AMEC notes the content of the high level Rules, and expresses concern on the long timeframes for decisions and approvals for the issuing and renewal of permits for 'resource purposes'. In this regard, AMEC notes that the timelines vary significantly, and are considerably longer for 'resource' activities than for other purposes such as pastoral, research, tourism or environmental.
2. AMEC has concern with the proposed short timeframe of 14 days for the 'notice of exclusion' as detailed in Part 2 – Clause 9(2)(iii). It takes considerable time and resources to arrange a field program, such as drilling activities which rely heavily on the availability of contractors and equipment. Timing is therefore crucial as the program will have to be deferred to a date where contractors and equipment align with access to the Area. This deferment will add costs and further delays to what is already a long government approvals process.
3. Clarify on the use of the term 'resource purposes'. A definition of 'mining activity' would assist, as would a definition for 'exploration activity'. There is a vast difference in the type of work, impact and duration between 'mining activities' and 'exploration activities' and therefore clarification would be of considerable assistance to all parties.
4. This distinction in activity is important when approvals are being sought for "Approved Personnel", which could include the use of short or long term contractors, sub contractors, tradesmen and third party suppliers, some of whom may not be known to the company until the day of the mining or exploration activity.
5. This is further complicated by the fact that a mining or exploration company generally has no right under contract relationships, unlike employment contracts, to select or previously identify in anyway the relevant staff of the contractor or sub contractor.

6. The distinction between preliminary / low impact; and more advanced / high impact exploration activity should be highlighted within relevant definitions in order to differentiate the activities, and subsequent information required by the Government.

An appropriate definition could include:

- Low Impact Exploration Activity is an activity that involves no, or very minor, ground disturbance. This includes field mapping, sampling using hand methods (including hand augering), ground geophysical surveys, small exploration camps, reconnaissance off track in light vehicles, drilling using hand held rig or rig mounted on 4WD vehicle, drilling using existing access and without the construction of new roads or tracks (plant roots not to be disturbed) and temporary track clearance;
 - High Impact Exploration Activity is all activity that is not Low Impact Activity and that can be undertaken within the terms of an Exploration Licence.
7. AMEC appreciates the need for penalties for breaching permit conditions with the use of fines, demerit points, and cancellation or suspension of permits. However, those penalties need to be applied in a rationale and fair manner, particularly during the transition period.

Thank you for the opportunity of commenting to the Inquiry.

If you have any queries on these comments please do not hesitate to contact Graham Short or myself.

Yours sincerely

Simon Bennison
Chief Executive Officer

