

MT PERCY OPERATIONS — MYSTERY, UNION CLUB AND SIR JOHN OPEN PITS

3239. Hon Robin Chapple to the Minister for Mines and Petroleum

I refer to the Mystery, Union Club and Sir John Open Pits owned by Barrick Gold and Newmont mining, operated and managed by Kalgoorlie Consolidated Gold Mines Pty Ltd (KCGM) in close proximity to Kalgoorlie–Boulder known as the Mt Percy operations and many other open pits within Western Australia, and I ask —

- (1) Can the Minister explain why abandonment bunding has been installed surrounding the entire Sir John Open Pit, but not entirely surrounding the Mystery and Union Club open pits?
- (2) If no to (1), why not?
- (3) Can the Minister give a precise date on which abandonment bunding was installed surrounding the entire Sir John Open pit?
- (4) If no to (3), why not?
- (5) Can the Minister list the names and specific locations for all other open pits within Western Australia which do not have abandonment bunding surrounding the entire open pit?
- (6) If no to (5), why not?
- (7) If yes to (5), why are these pits allowed to remain unbunded?
- (8) Does the Minister and the Department of Mines and Petroleum (DMP) support the non installation of abandonment bunding surrounding the entire Mystery and Union Club open pits given that these pits are in very close proximity to a major city, human population and frequented by tourists?
- (9) If yes to (8), why?
- (10) If no to (8), why?
- (11) Can the Minister explain what financial bonds, if any, cover the specific pit wall failure of the Mystery and Union Club open pits through pit subsidence and wall failure, affecting the Mt Percy public water supply tank and the Trans Australian Railway line?
- (12) If no to (10), why not?
- (13) Will the DMP impose a financial bond on the owners of the tenements to protect the public of Western Australia from being exposed to a major liability in the event of a pit wall failure from the Mystery and Union Club Open pits, impacting on the Mt Percy public water supply tank and the Trans Australian Railway line?
- (14) If no to (12), why not?
- (15) Can the Minister state what are the penalties under the Mines Safety and Inspection Act 1984, Regulations 1995, Mining Act 1978 and Regulations 1981 for a tenement holder failing to install abandonment bunding surrounding open pit mines in Western Australia?
- (16) If no to (14), why not?

Hon NORMAN MOORE replied:

- (1) I am advised that under the provisions of section 42 of the Mines Safety and Inspection Act 1994, the Sir John, Mystery and Union Club pits have not been abandoned and are still part of KCGM's mining operations, so abandonment bunding is not required. The bund that is present in the vicinity of the Sir John pit has not been approved as an abandonment bund under the Mining Act. It is understood from KCGM that some material was placed around the pit along with some backfill material into the pit at the time of construction of the Miners and Prospectors Hall of Fame around 1999/2000. The Sir John pit is within the secure fenced area of the Mt Percy operations.
- (2)-(4) See answer to question (1)
- (5) No.
- (6) The inventory of abandoned mines can be accessed via the DMP website where information on 89% of high priority mine sites documented to date is available, including the extent of bunding.
- (7) The management of the physical and environmental risks associated with abandoned mine sites is focused on ensuring the highest risks are addressed.
- (8) Yes

- (9) Abandonment bunding is not required. I am advised that DMP considers the entire Mystery and Union Club open pits to be still an active mining area and that the security fence, under the management of KCGM, provides an effective barrier to safeguard the community.
- (10) Not applicable
- (11) Environmental bonds do not apply to the Mystery and Union Club open pits.
- (12) Not applicable
- (13) No
- (14) Geotechnical inspections are conducted by KCGM in the areas in question and indicate that the pit walls in the vicinity of the water reservoir and railway are stable and have been for many years. Final abandonment criteria will be established when the mining operation closes.
- (15) Under the Mining Act 1978 and Mining Regulations 1981, breach of tenement conditions under Section 154 of the Act can result in forfeiture of the tenement, a fine up to \$50,000 plus \$1,000 per day if the offence continues or no action is taken. Regulation 28 requires pits, holes and trenches to be made safe. A breach of a Regulation results in a general penalty being applied, under the provisions of Regulation 115, of up to \$10,000 plus \$1,000 per day if the offence continues.

Under the Mines Safety and Inspection Act 1994, if abandonment bunding was required by an inspector, a breach of Section 9 of that Act might occur. The maximum penalty for a breach of Section 9 is, for a first offence by an individual, \$250,000 and imprisonment for 2 years. For a corporation, the maximum penalty for a first offence is \$500,000.
- (16) Not applicable.