

**LEGISLATIVE COUNCIL**  
**Question on notice**

Wednesday, 25 February 2015

2733. Hon Robin Chappie to the Minister for Agriculture and Food representing the Minister for Mines and Petroleum.

I refer to the answer to question on notice No. 2194, regarding the activities of Pluton Resources on Cockatoo Island that was given by the Minister on 17 February 2015, and I ask:

(a) what are the requirements of the ten improvement notices and one prohibition notice in relation to Pluton Resources' Cockatoo Island operations:

(i) is Pluton Resources in compliance with all notices issued; and

(ii) if no to (a)(i), why not, and what action will the Minister and his department take to ensure compliance;

(b) has Pluton Resources applied for the Government's Iron Ore Financial Assistance package or Royalty Rebate in respect of the Cockatoo Island mining project:

(i) if yes to (b), will the Minister release the details of the application;

(ii) if the Minister will not release details of the application, why not; and

(iii) what steps will the Minister take to ensure transparency regarding allocation and expenditure of the Iron Ore Financial Assistance package; and

(c) how was the amount of \$28,149 Mining Rehabilitation Levy payment paid by Pluton Resources determined:

(i) what factors were taken into account when calculating this amount;

(ii) does the Minister consider this amount to be sufficient, given the massive clean up effort required in relation to the seawall breach at Cockatoo Island;

(iii) will the Minister consider legal action against Pluton Resources for the seawall breach at Cockatoo island; and

(iv) if no to (c)(iii), why not?

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**Answer**

The Department of Mines and Petroleum (DMP) advises:

- (a) The requirements of these notices relate to safety defects that were observed by Inspectors of Mines during their inspections of the Cockatoo Island mine. The areas involved included guarding of moving parts, site emergency equipment and procedures, fit for purpose mobile equipment, systems for managing lifting equipment, structural integrity of plant and structures, drilling and blasting procedures relating to final pit walls and training and competency of plant operators.
  - (i) No
  - (ii) Matters relating to the two outstanding improvement notices have not yet been completed. The required compliance date for these notices is 22 April 2015.
- (b) To maintain commercial confidentiality, details of applications for Iron Ore Financial Assistance cannot be released.
  - (i) See response to (b)
  - (ii) See response (b)
  - (iii) Details of the basis on which the Iron Ore Financial Assistance has been made available are explained in DMP's Guidance Note (November 2013) *Requests for Financial Assistance: Evaluation/Information Requirements* and Iron Ore Financial Assistance *Guidelines for Applicants* published by DMP on 29 December 2014. Both of these documents are available on DMP's website. When consideration of applications for the Iron Ore Financial Assistance has been completed, successful applicants will be announced and the total value of the assistance provided will be published in State Budget Papers.
- (c) The levy amount was determined using the disturbance data entered into the Mining Rehabilitation Fund (MRF) report by Pluton Resources, and calculated in the Environmental Assessment and Regulatory System online, as per Schedule 1 of the *Mining Rehabilitation Fund Regulations 2013*.
  - (i) As per the *Mining Rehabilitation Fund Regulations 2013*, the calculation of the levy amount is made using the following formula: Hectares of disturbance and/or land under rehabilitation multiplied by the Mine Activity Type(s) unit rate, multiplied by the fund contribution rate of one per cent.
  - (ii) The seawall breach that occurred last year was on Koolan Island.
  - (iii) Not applicable
  - (iv) Not applicable

