

MINING AND BUSINESS

Mining industry wants \$6m in fees returned

The mining industry has called for the return of \$6 million it paid the State Government in surveyor fees.

The funds have been frozen in a trust account since last July, after changes in the system of mining applications were introduced.

Both the Association of Mining and Exploration Companies (AMEC) and the Association of Consulting Surveyors WA (ACS) want the money given back to tenement holders.

AMEC president George Savell says the two bodies recommended a "sunset mechanism" be included in an amendment to the Mining Act. This would allow surplus funds to be distributed to other mining industry surveys, especially in cases where tenement holders cannot be found because of company collapses, restructures or mergers.

Mr Savell said AMEC and ACS want the funds to be used for surveys which will benefit the mining industry's tenement mapping programme and be administered by the Department of Mines.

"We appreciate the trust account has been frozen through no fault of Treasury and that there are no statutory provisions to allow government to return the funds out of hand or apply any residue to the programme we recommend," he said. "Obviously this situation cannot be allowed to continue. Our recommendations were made after consultation with both AMEC and ACS member companies and extensive legal opinion was obtained.

"We believe the proposals we have submitted to the Government represent the most fair and equitable means of distributing the funds — any survey work

completed with any surplus would benefit both the State and West Australian mining industry and stimulate employment opportunities."

Before the funds were frozen, applications for mining and general-purpose leases were accompanied by a prescribed survey fee. The fees were held in trust until the Mines Department carried out a physical survey.

That system has been changed to a "user pays" method where tenement holders directly organise and pay for private surveys before development.

"This has left Treasury holding more than \$6 million in fees for surveys which now will not be conducted by the Mines Department," Mr Savell said. "We (AMEC and ACS) have called on the Government to amend the Mining Act to allow these funds to be returned to current tenement holders."



George Savell