ECONOMIC DEVELOPMENT AND INFRASTRUCTURE COMMITTEE

Inquiry into greenfields mineral exploration and project development in Victoria

Melbourne — 26 September 2011

Members

Mrs I. Peulich

Mr G. Shaw

Mr N. Burgess Mr M. Foley Mr W. Noonan

> Chair: Mr N. Burgess Deputy Chair: Mr M. Foley

Staff

Executive Officer: Ms Y. Simmonds Research Officer: Mr S. Martin

Witnesses

Ms R. Bentley, President, and

Mr N. Laidlaw, Consultant, Prospectors and Miners Association of Victoria.

1

The DEPUTY CHAIR — I welcome our friends from the Prospectors and Miners Association of Victoria (PMAV) to this hearing of the Economic Development and Infrastructure Committee. My name is Martin Foley; I am the Deputy Chair. Unfortunately our Chair, Mr Neil Burgess, the Member for Hastings, has been unexpectedly waylaid. He is an apology for today, but nonetheless we have a quorum. This is an all-party parliamentary committee inquiry and it is hearing evidence today on the Inquiry into greenfields mineral exploration and project development in Victoria. I welcome you to this hearing into the matters before us. All evidence taken at this hearing is protected by parliamentary privilege. Comments that you make outside the hearing are not afforded that same privilege. I will begin by asking you to state your full name and business address and whether you are attending today's hearing in a private capacity or, as I suspect, on behalf of the Prospectors and Miners Association of Victoria. Once we have done that I will let you know that the evidence will be taken down by friends from Hansard and in due course will become public evidence available on the internet.

Ms BENTLEY — Thank you, and thank you for the opportunity to appear. I am Rita Bentley. My business address is GPO Box 1706, Melbourne. That is the Prospectors and Miners Association of Victoria's address, who I am here to represent today.

Mr LAIDLAW — My name is Noel Laidlaw. My business address is 21 McCallum Street, Carisbrook, which is up in central Victoria if you were not too sure. I am a mining engineer and consultant. I am employed part-time by the PMAV, so I am not too sure whether I am representing them in a business or private capacity, but that is the basis on which I am appearing today: as a consultant, a member of the association and a previous President of the association. If you can work out exactly which camp I am in, you are probably doing a pretty good job.

The DEPUTY CHAIR — I am sure we will struggle with it. You are straddling many fences. Thanks for that. What I would invite the association now to do is perhaps to take us through how you want to present. We have had a good read of your submission and, given the critical part that you, the association and its members, play in the landscape of exploration of our mineral resources, we would ask you to take us through how you want to present today.

Ms BENTLEY — Certainly. I will just give you a little bit of background about myself, my experience and why I am the President of the association. In the 1980s, during the mini gold rush that occurred at the time, my husband and I operated a full-time gold mine where we were professional goldminers. We made a living exploring and finding gold prospects and then developing them ourselves. That was very good for us. It was a great lifestyle as well. That just got harder and harder to do, and eventually we gave it up and did something else for a living. But we continued our interest in prospecting, and I could see that it was getting harder and harder for people to operate in Victoria. My experience dealing with bureaucrats and government as a miner led me to Committee membership and then on to become President of the association. I would like Noel to explain his background too.

Mr LAIDLAW — My background is as a mining engineer. I have been employed full-time in one capacity or another most of my working life in the mining industry. My experience ranges from being a ministerial adviser to the Minister for Minerals and Energy to managing large mining operations to advising and running small mining operations and running small mining operations myself. I was the Mining Warden for Victoria for nine years up until 2008. Currently I am running a small engineering and consulting business that advises mining companies and small miners. I am on the board of Morning Star Gold, which is a publicly listed gold mining company based at Woods Point in Victoria.

Ms BENTLEY — As far as the association is concerned, we are basically the small business end of the mining industry. We represent people who generally, but not always, fund their own operations. Morning Star Gold is a member of our association, but most members are one or two-person operations, miners and recreational prospectors — that is, people who go out with metal detectors and gold pans and find gold nuggets, much the same as this one.

The DEPUTY CHAIR — They are doing well if they find one much the same as that!

Ms BENTLEY — Yes, true. There are not many of those around. Basically people who operate small mines are wanting to start a small business. I think it is often overlooked that the mining industry is so regulated. I do

not know of another industry that has to jump through so many hoops to get into business and to continue in business as the mining industry does, through no justification. The environmental record of miners now is world class; there is nothing wrong with what miners do environmentally, and yet it is so hard to get on the ground that people, in Victoria particularly, and in Australia generally, go overseas. We have a world-class goldfield here. It should be buzzing with mines, and it is simply not. It is the over-bureaucratic approach and being answerable to everybody twice that has just made it impossible; people throw up their hands and walk away. Small miners, particularly, are finding it very difficult. Larger operations will have office staff who can do the paperwork and jump through the hoops, but even they are struggling to comply with the requirements.

Mr LAIDLAW — I can certainly attest to that, and to the hoops that are required, from my experience with one publicly listed company. We are currently wanting to put a little road in. It would not run from here to the end of Collins Street and is through a very unremarkable part of central Victoria. The amount of regulation involved in putting this track in and to take a drilling rig up this track, if you had to put it in terms of dollars, the job would cost you maybe \$5,000 to do. But I think the permitting and the time and the requirements would probably be in the order of \$20,000 — \$30,000 worth of effort to put that exercise through. That seems, to me, to be putting the cart before the horse. If people are going to do a major environmental disruption, naturally there is a process to go through. But because of the state of overregulation, for the smallest thing you want to do — like put a small road in — the legislative and regulatory requirements are many times more than the cost of actually doing the job. That is mirrored all away along the process.

Ms BENTLEY — There is no guarantee at the end of this process that there will be any money. You have still got to spend money on exploration and there is no guarantee that any exploration project will be successful, so you do not know that there will be any return. Obviously there is a fair bet because you have done your preliminaries.

Geologically Victoria is very suited to smaller scale operations. That is, historically, where our great gold rushes came from. Government has focused largely on assisting and encouraging the BHPs and such of the world and maybe moving downscale a little, but we do not see there is any reason not to welcome and encourage every size of operation, from the one person wanting to dig up a small area to the larger operations. But we just cannot change geology; geology is what it is. Government needs to consider what we have and look for the best way to develop it. Obviously the current situation is not working. I think you have seen the gold production graph that was part of our submission and just last week the updated, simplified work plan process that I cannot understand. We have got the cause. It is an updated one; I did not have a colour printer, sorry. It is an updated one and it is supposed to be simplified. If you can understand it, you are doing really well. We cannot. And everybody has to go through that same process.

Mr LAIDLAW — And that is a more simplified process than the one that is operating today.

Ms BENTLEY — Yes.

Mr LAIDLAW — I could not find a copy of the current one, which is far more complicated and you need to print it out on a big sheet of paper to find your way through the snakes and ladders.

Ms BENTLEY — People do not mind jumping through some hoops but you have to ask the question, 'Why? Why is all this regulation necessary? What are the people of Victoria gaining from this?'. I answer that it is nothing. We used to work really well. Small miners used to have miners' right claims where we would go out and put four pegs in the ground and we would get very minimal regulation attached to it. We would get a bit of a paper to say, 'Go start work'. We did, we rehabilitated, and I challenge people — other than the age of the trees that are now regrowing very well, you cannot tell the difference between the local forest around the sites and the area now. The growth in the bureaucracy in our business has been enormous, and that growth has coincided with a dreadful drop-off in production and activity on our goldfields.

Mr SHAW — Rita, why do you think the regulations came in?

Ms BENTLEY — I think it was the influence of the Green movement at the time in that we were an easy target.

Mr SHAW — What years are we talking about — the mid-80s?

Ms BENTLEY — Yes, the Mineral Resources Act came in in 1990. In the mid to late '80s it started to tighten up. Then we had the review of the mineral legislation and at that time the wheels started to fall off totally. We had the high gold price in the 1980s, so there was activity and people who lived in goldfields suddenly found that there were people wanting to mine for gold. I have never understood: if you live in a goldfield, why you would find it surprising that somebody wants to mine for gold there. You get the NIMBY situation, the people who do not want it in their backyard and perhaps do not understand. You hear these scare campaigns occasionally — 'My God, there is an exploration licence over my property'. The odds of the explorer wanting to actually access that property is unlikely. When they do it is perhaps a drilling rig or somebody chipping a few rocks. From that stage, if they find something, then they deal with the landowner, a compensation agreement is written up and everybody is happy. But there are scare campaigns about our industry that are ridiculous and very unfounded.

Mr LAIDLAW — I think the 1980s saw a major swing away from the mines department, as it was known, to a whole series of different departments taking, effectively, some of their legislative jurisdiction. Classically that would be planning, environmental and in more recent years the OH&S. In 1979 when I was involved first with the industry the Mines Department was the one-stop shop if you like. They basically issued all the permits for using explosives, the permits for driving machinery, the permits for occupying the land. Now that is spread across probably 10 different agencies at least, major agencies, and there are probably more if you care to dig a bit deeper. That is part of the problem.

Our position has always been that an industry with a one-stop shop, or at least a lead agency approach, that can find its way through the maze of permitting is an absolute minimum if you are trying to attract investment into the State, whether it is small investment like Rita and David did in the '80s or middle-sized investment like our company is doing, like Morning Star Gold, or large investment like the Iluka sands or Stawell gold mines, which are major employers. The diminution of the power of the central agency I think has been one of the major problems that has been a disincentive to investment in this state. Can I just talk about prospecting?

The DEPUTY CHAIR — Please do. It is your submission. We were going to ask you how you saw the prospecting versus the larger — what you saw as the difference and the unique aspects of your members' issues in this.

Mr LAIDLAW — The prospecting is a bit of an untold story, and it is a really good story, because in terms of legislation in this state we have to say that we have probably got the best legislation in the world for prospectors, for guys going out with a metal detector.

Ms BENTLEY — We have also got the best goldfields.

Mr LAIDLAW — And the best goldfields, and there is quite a healthy little industry in that of motels and caravan parks, and gold detector sales and service, and people selling tents and four-wheel-drives. It is a pity that nobody has sat down and tried to quantify that industry, but there are about 5000 miners rights sold annually in Victoria, so we assume that there is that sort of number of people out there detecting or prospecting. The only area that the prospectors really would like to see would be that a lot of land had been tied up previously in national and state parks. Some of that land has been released for prospecting, but we believe that the environmental impact of the prospectors is negligible and we would like to see that process continue of more land being released from the state and national parks just for prospecting, because there are classic cases where up at St Arnaud, for example, you have a national park that you can prospect in, but go down the road a couple of kilometres and there is a state park there that you cannot prospect in, yet you would think that a national park would have a higher standard of protection, if you like, than a state park.

There is a lack of consistency in the issue of land availability for prospecting in terms of an industry that is not very much heralded, but in places like Maryborough, Dunolly, Inglewood and Wedderburn and towns outside the golden triangle, it provides a significant economic factor to the economic life of those towns. There is a guy who sells detectors in Maryborough. He employs about six people. It has a turnover of \$5 million or \$6 million a year, not a huge business but for a place like Maryborough that is great. He is not the only one in that region. The prospectors have a life of their own, if you know what I mean. They have got pretty good legislation, but we would like to see more land made available to them to continue on with what they are doing.

Ms BENTLEY — There are lots of goldfields that are unavailable to prospectors because of the national and state park situation.

Mr LAIDLAW — We do not just come here to have a moan. We come here to compliment government as well on having, as I say, the best prospecting laws in the world. As far as the legislation is concerned, the legislative path, the legislation itself is often not so much a problem. To get on the ground to do something, it is not all that difficult to get your foot on the ground, to get title to the ground, and that is the bailiwick of the Department of Primary Industries: Minerals and Petroleum. They will give you the title. It is to actually then translate what you are going to do on the ground of the permitting.

A classic case that we have with the permitting — you can get your licence — is the question of native vegetation, and this applies to large miners and small miners. There is a concept, as you would probably know, of net gain, so if you are going to knock down a tree, you are not only expected to replant that tree, but you are expected to do a bit more. Personally I do not have any problems with that; I do not think the mining industry generally has. But the way it has been translated into action in central Victoria in the box ironbark areas is that according to the Victorian Competition and Efficiency Commission it works out at a replanting cost between \$200,000 and \$250,000 per hectare. If you knock down one tree, from my rough figures, it costs about \$5,000 to have the one that you knocked down replaced plus planting another one — or planting six other ones as is the ratio. That of course is not happening. The net gain to the environment of the replanting is minimal; the net gain to the Department is maximal because there is a whole bureaucracy that is funded out of this program. In terms of simplifying and getting environmental advantage on the ground, this program has been an absolute failure. In terms of building up DSE's bureaucracy it has been fairly successful.

Ms BENTLEY — We also have the case where DSE will come in and say, 'You cannot mine in that gully because it has trees in it'. They will just say, 'No, you cannot do it'. Again, this is in the box ironbark region where we spent 10 years investigating which areas of land should be locked away and which should not. With the gullies that are left DSE is misusing the native vegetation legislation by denying access to areas by just saying, 'It is special. There is a special tree there'. A lot of people are finding it so hard to get past that. There is no mechanism for getting past that.

Mr LAIDLAW — What we would like to see would be what I would call an integrated process. The current process, as I said, of obtaining title is sort of working. It could always improve, but let us just say it is working. It is the next stage of obtaining access or permission to actually do something on the ground that is the problem.

The DPI has to return as the lead agency. It has to be given power by you people. Effectively you people have taken it away from them, for all sorts of reasons whether right or wrong — I suspect it may have been right at the time. You have to give them back the power to make decisions over a whole broad range of areas that affect the mining industry so that they can integrate with the industry and with the operators and give certainty and relative speed of decision making.

A classic case is planning. We have small miner members, often on their own land. Let us say in this case it is his own land and he wants to do some alluvial mining on his own land. He gets the title from the DPI. He gets the conditions from DSE, the Water Authority and whoever else is involved, such as the catchment management authority and the flora and fauna people. He works through that whole process. At the end of that he then has to go to the local council to obtain a Planning Permit for the process.

The reality is that councils do not knock back these little mining operations. They charge them the \$500. They get the approved conditions that everybody else has agreed to, stamp them with a rubber stamp and say, 'Thanks very much. You can start work'. It probably adds another six months to the time of the process, but in terms of what it achieves for the local community, for the regulator or for the miner himself, it is absolutely zero. It is just a rubber-stamp process.

If you are going to have a major mining operation at Bendigo, Ballarat or out in the western district on the mineral sands, there is a process, whether it is planning or environmental impact studies, that has to deal with a lot of these major questions. But in terms of small people, this is just going through a routine that costs them money, costs them time and achieves absolutely nothing in terms of protecting the environment or protecting local residents. All it does is cost time and money. As I say, the integrated process we would like to see would

be to deal with those issues and have one bit of paper, one permit and then let people get to work. That is what it is all about, actually getting to work on producing economic wealth.

Mr SHAW — But the way you have described it is similar to what you would do if you wanted a fishing licence: you would go down to the fishing shop and get it. It would be nice if it was that easy.

Mr LAIDLAW — Well, I am probably being a bit idealistic, but, yes, you are quite right. There are examples of industries where there is an integrated process through which you can get your licensing done. We do not believe that the current process is doing anything to develop Victoria's resources. It is as simple as that. If the Government wants the resources developed, then it has not got the right model to do it. If it says, 'Look, it's all too hard. Too many people live here. We don't want to upset the green vote. We would rather you didn't do it', in one sense it would be nice to know that, and it can go out and buy a hotel or something. At the moment there are a lot of people out there knocking their heads against the process trying to get something done that is legal and desirable. However, the Government and the requirements that the Government gives us make it so difficult.

The DEPUTY CHAIR — Anything else to add at this stage, Rita?

Ms BENTLEY — No. You have been through our submission. We had a few suggestions on how the situation could be improved for us. As Noel has said, he was a Mining Warden at one stage. The Mining Warden is an under-utilised facility. We believe that the Mining Warden should be empowered to hear appeals against any government agency in relation to mining decisions. Mining has its own peculiarities. The Mining Warden would have the depth of knowledge required to adjudicate on some of these issues. He is not a departmental employee. He is a government employee, so he is independent and seen as such by the industry. We see a greater role for the Mining Warden.

The DEPUTY CHAIR — It is a statutory position and an appointment by the Governor in Council.

Mr LAIDLAW — Yes.

Ms BENTLEY — I very much believe, as Noel has said, that the prohibition on prospecting in national parks just should not exist. The way the system works is that there is a blanket prohibition unless the parks are listed in a certain schedule in the *National Parks Act 1975*. Trying to get existing parks into that Act is impossible. I have tried for 20 years to get someone to listen to the fact that once you put a park on that list it does not actually give you anything other than a right to negotiate as such with the management of Parks Victoria, to talk about which areas are suitable for prospecting and which are not. We need to get to that first base before we can get anywhere near a home run on it. To me it is nonsense that the legislation has been written in this way.

The DEPUTY CHAIR — We have about 20 minutes before our next witness, so what we might do now is perhaps just ask you a few questions to flesh out some of the themes have been kind enough to include in your submission. I might pop in first. The one-stop shop theme has been consistent throughout most of the evidence and submissions we have received. Lots of people have different versions of what the one-stop shop might look like. Noel and the prospectors have given us another one, but in terms of what you have outlined in terms of some of the roles, you have talked about a beefed-up role for the Mining Warden and a bit more of a publicity and educational role associated with that.

What kind of regulation would you see there being for that one-stop shop, and who would oversee it? Leave aside the other bits and pieces that you have addressed, but in terms of the formal regulatory maze that you have identified, what would you see as the specifics of the role of a one-stop shop, and what kind of oversight, if any, would you see there being for that one-stop shop?

Mr LAIDLAW — I think it probably rather depends on who you are looking to regulate. As I said, if you are looking to regulate the larger operations, I suspect the EES process that we have got now is effectively a pretty good one-stop shop. That is what it effectively does. It overrides planning and environment and so forth. The model is in fact there in front of us. If you are going to build a \$50 million mine or something larger, it is not unreasonable. It is entirely reasonable that you should go through that one-stop shop EES process. What we are trying to say is, 'Let's down-scale it for either the medium-sized companies like Morning Star or for the prospectors on their 5-hectare mining licences'.

A classic case would be if Parliament is not prepared to allow the Mines Department — if you don't mind me using the generic term — to have the power of planning and for DSE to have the power of the EPA or whatever you like, a meeting could be called with representatives of all of those agencies to sit around the table, work out a set of conditions that would have statutory power on a case-by-case basis and then have an appropriate appeals process, whether it was the Mining Warden, VCAT or whatever, to get all of the people in the room to sit down so that the environmental people can talk about the rehabilitation requirements and the EPA people can talk about the discharges, smells, dust and all those sorts of issues.

Ms BENTLEY — Just to clarify, though, that you would want that done once for small mining. It would not be worth getting around that table to nut these things out for every single small mining operation.

The DEPUTY CHAIR — So it would be a scale issue.

Ms BENTLEY — Yes.

Mr LAIDLAW — Yes.

The DEPUTY CHAIR — If Rio Tinto came to town, they would be at one end and your miners right, 5-hectare operations would be at the other end.

Mr LAIDLAW — That's right.

The DEPUTY CHAIR — If it was that simple, it would be a relatively easy scenario in terms of where they come together.

Mr LAIDLAW — As I say, you have got one end of it right. You have one end of it right with the EES process, and that is a very good process. It takes a bit of time and it is not cheap, but it is a one-stop shop and there is certainty in it. It is the uncertainty and the time that really create the problems for people.

The DEPUTY CHAIR — Of your 5000 annual prospecting, miners right members — I assume a large number of them are your members — in terms of how it is a one-stop shop for them, they are small scale, some recreational and some professional. How would that translate, in your mind, to a one-stop shop operating for those guys?

Ms BENTLEY — The recreational prospectors are in a different basket. Operating under miners rights is like a fishing licence. You go along, you buy one and you are basically allowed to go out there and prospect in limited areas with certain conditions. The small-scale miners are the people who need the certainty. Like Noel said, they need a statement from the Government in the first place that they are actually welcome in this state and that the Government wants them. Then, basically, we need a standard set of conditions that are nutted out around a table by people identifying what issues they see with small-scale mining under certain land classifications and certain types of operations and then putting that forward. Occasionally there might be special conditions attached, but generally if a small-scale miner knows that they are the parameters they are working within, then that is largely what is going to be on their licence, because they work under a mining licence too, or under the new prospecting licence we will see next year. That would be great.

DPI complains about the cost of administering small-scale licences and it not being worthwhile. We say that is not our problem. That is what you have put in place.

Mr LAIDLAW — They are clever enough in the quarry industry. For small-scale quarries there is a set of guidelines. There is a code of practice. They do not have to go through these hoops of a work plan. Quarrying and mining are not necessarily all that different. They say, 'If you're a small-scale quarry of up to 10 hectares, that is your set of rules. Get about your business and go and dig some rock up. We don't want to see you again'. It is not as if we are asking for something remarkably different to what is happening. It is happening for the big companies, it is happening for the small quarries and we would like a similar process happen for the small miners.

The DEPUTY CHAIR — If I could indulge from the chair and take one more opportunity, your submission talks about, for the smaller-scale operators, the desire to be exempt from the community consultation processes. What form of consultation would you see applying, if any, and when would it cut in?

Ms BENTLEY — I think if you are — I have not thought about a specific distance, but — a distance from a residence or a town, then, as we have always done, advertising in the local paper through the planning process, or some process, saying, 'I have applied for a mining licence, and this is basically where it is', should be enough, and, 'If you've got any concerns, come to me'. But the way that at the moment people have to set up formal consultation is a nonsense. I do not know of any other business that does that. The timber industry goes out there; do they have to talk to all the locals about what they are doing, when they are doing it and how they are doing it and give them updates every now and again on how they are going. To me the mining industry is being targeted because largely the mining industry just says, 'Yes, we'll do that'. But we have reached a stage where we cannot anymore.

Small-scale miners target themselves by the community consultation program in that people know there is a small-scale mine out in the bush somewhere with machinery on site; it is a one or two-person operation, and they are not there all the time, so the security aspect for those people is a problem as well. It is keeping in the people's minds that there is somebody out there sometimes, and if they are finding gold there is that security aspect as well. But with 5 hectares or less it should be very minimal.

Mr LAIDLAW — That is not necessarily avoiding consultation; it is simply trying to simplify the process. Apart from the security reasons — I could tell you some terrible stories about what people have had stolen off them because they are isolated sites and all that kind of thing — it is not that the small-scale miners do not want to let people know; it is just the fact that they are so small that their effect on people's lives is insignificant. If someone has a miners right claim out the back of Dunolly and the closest house is maybe 5 to 10 kilometres away, it should not be a big issue. If you have a quarry out at Montrose, and you have 25,000 people living within a kilometre of you, that is an entirely different thing.

I have been an operator, I have been a mine manager and I have run small and large mines, and we have never shirked from the fact that people want to know what is going on. We take people around, we tell them and we put up signs saying, 'If you have any problems with this site, ring this number'. All of that can happen and does happen without the law actually saying that it needs to happen. But setting up these formal processes of calling meetings every three months, going around knocking on doors and saying, 'We've got a mine out here a few kilometres up the track', I just see as a waste of time and unnecessary.

Mr SHAW — Thanks. I congratulate you on your submission. I thought it was very direct and in parts humorous as well. It was excellent and hit the point. With regard to private landowners, how do you find your miners and prospectors with the landowners? You mentioned before that sometimes there is news out there, and landowners might get a little bit scared or concerned. How do you find it on the ground, and what do you think your organisation can do with regard to those relationships?

Ms BENTLEY — We do not have a lot of issues with landowners. Again, we represent two separate groups, I suppose: the small-scale miners and the recreational prospectors. Recreational prospectors will just go and knock on a door and say, 'Do you mind if I go detecting up the back there?', and most landowners say, 'Yeah, that's fine; if you find anything let me know and maybe give me a percentage', and it works. That is not a problem. There is no formal written agreement, and there are no problems. For small-scale miners, some do deals with landowners and some cannot — the landowner will say, 'No', and the miner then has to decide whether he wants to appeal against that decision or he wants to walk away. I would suggest that most walk away.

Mr SHAW — That is what I wanted to find out. So most would say, 'There are others around; we'll just go and knock on another door'?

Ms BENTLEY — Yes.

Mr LAIDLAW — In my time as the Mining Warden one of our jurisdictions was to mediate between land-holders and applicants for a licence. I think we had, in the nine years, either three or four cases; it would not have been any more than four cases. It is not a big issue, particularly if people are a little bit smart about it. This is what I was saying before. These guys go and talk to you; they establish a relationship. At the end of the day — I wish someone would find some gold up on my property up in central Victoria; that would be terrific, because I would be very well compensated. The mining industry is not tight with spending a dollar on these things. If you are doing some work on a property, they will often say, 'Go and have a look. I won't sign a

mining agreement, but I'll do an exploration agreement'. So you go out there and do your drilling or whatever you have to do, and then you say, 'All right, we've got a potential ore body here. We would like to either buy your land or compensate you'. There is an agreed set of rates that have been set between the Minerals Council and the VFF, which seems to work pretty well. There is a minority of cases where people just do not want the people on their land. It is sort of a land rights thing: 'This is my land; I don't want anyone on it'. But that is very, very unusual.

Mr SHAW — Would they be the same sort of people who, if you wanted to go out shooting and knocked on their door, would say, 'No, we don't want you shooting foxes on here, go away'?

Mr LAIDLAW — One case we had was of a farmer over in the Western District, who was a very good farmer. He was an interesting chap, and I cannot say too much more about him. He ran a really good farm. He did not want people on it. There were ovine Johne's issues in the district and he had weed problems. He did not want any of that on his property, and he said, 'I just don't want anybody on my land'.

The DEPUTY CHAIR — Biosecurity issues.

Mr LAIDLAW — Yes, there were biosecurity-type issues and a few others. He ran a really fine property, that is for sure.

Mr NOONAN — I have a question in relation to GeoScience Victoria and the surveying. You make reference to Gold Undercover but suggest that that sort of information is only for the largest corporates in terms of its value. Then you go on and talk about how the small operators have a better history of finding viable deposits. Can you provide some comment to the Committee about what would assist small-scale prospectors or miners coming from GeoScience Victoria in the future in relation to geological survey information?

Mr LAIDLAW — There is probably not much they can do, to be perfectly honest. We all have a big whinge about the Department, but it does do some terrific things. Its geoscience, its historical collection, its mapping, its online mapping — all of that sort of stuff — is quite world class in this state. I will have a guy come into my office and say, 'Look, I want to take out a little lease', so the first thing I will do is get onto the Department's website and get the map up to find, 'This is all the geology that is known about this; these are the shafts and the leads'. That is all really good stuff. I would never want to be criticising the Department for the standard of industry support that it provides us. It is the difficult ones, where you have the gold under cover, where you probably have another Bendigo sitting under 200 or 300 metres of clays, up around Mitiamo, Raywood or somewhere up there in the southern Mallee, where things like aeromagnetic surveys, which cost a lot of money and need to be done in a concerted sort of — —

Ms BENTLEY — But that again does not help our members.

Mr LAIDLAW — That does not help our members. This is big company mining.

Mr NOONAN — Your members, though, do go to GeoScience Victoria to access some information?

Mr LAIDLAW — Yes, as I say, their mapping and the — —

Mr NOONAN — And they find it valuable, is that what you would say?

Mr LAIDLAW — Yes.

Ms BENTLEY — Further updating of the system, applying some of the historical reports more and helping people understand it more. There used to be geological assistance, so that people would say, 'What is this rock? Can I get it assayed here', and there was a can-we-help-you sort of attitude. Certainly the computer system is fantastic but more focused perhaps on the goldfields, assisting people with understanding, using and applying the information that they are providing.

Mr NOONAN — There is one quick question. I was interested in your comments about the St Arnaud example, the national versus state park situation and how that has evolved. Just playing devil's advocate for a moment, we have heard through the course of this inquiry so far that there are clearly some contest issues over land use. That does not just relate to national and state parks; it relates to agricultural use of land versus mining et cetera. How do you make a case broadly in the community to open up exploration for mining within state and

national parks when the majority of people would view exploration licences as the first green light in a longer process, potentially. What is the suggestion to the Committee about how that can be tackled as a proposition, because it is a very sensitive one?

Ms BENTLEY — I understand that, but I think as a Victorian taxpayer I would like to know what is underneath our national parks, be able to give it an economic value and then work out on a cost-benefit analysis whether or not that set of trees in that park is so important that I cannot allow a billion-dollar potential mine to be developed there.

I think it is a matter of knowing what we have got. We would like to see the removal of the prohibitions but understand that it is unlikely to happen. You are not even allowed to explore an angle under the national park. Your drilling rig is outside. You cannot go underneath a national park because they go to the centre of the earth — except Bendigo. To me that is nonsense.

Mr LAIDLAW — Bendigo seems to work reasonably well. You have got a national park there.

The DEPUTY CHAIR — Are we talking about the box ironbark?

Mr LAIDLAW — The Greater Bendigo National Park where basically the top 100 metres is national park, underneath it is free ground, but you can get certain areas agreed between the land manager and the miner if you need infrastructure there.

Mining under national parks would be better than sterilising the ground altogether. There are plenty of examples throughout the commonwealth of mining under national parks and not creating any problems for anybody, from what I can see. Certainly, the coal industry in New South Wales does a lot of mining under national parks, around the upper Hunter and upper Illawarra areas. Again, it is not as if we are trying to reinvent the wheel, but that is where this is. It is important for us to know what is there.

Mr NOONAN — Could I just come back to that.

Mr LAIDLAW — You were talking about prospecting in national parks as well. We are a broad church. We have got explorers, we have got miners and we have got prospectors. There are basically three different sets of rules. If the prospectors were given access to national parks, it would only be by agreement with the land managers of Parks Victoria. It happens in other places. There is no reason why it should be extended from what it is at the moment, from what I can see.

Mr NOONAN — I think you say in your newsletter that you have had some more positive interaction with Parks Victoria in recent times?

Mr LAIDLAW — Personally, dealing with Parks Victoria is a pleasure. I really quite enjoy dealing with Parks Victoria. They are fine people on the ground, and if they can help you, they will.

Ms BENTLEY — But they are bound by legislation.

Mr LAIDLAW — They are bound by legislation. I have done some work recently in the Greater Bendigo National Park. They were so cooperative I could not believe it, to be perfectly honest.

Ms BENTLEY — We have a gold expo every couple of years. Parks Victoria members turn up and chat to all the members, and it is great, but again it is the legislation that stops them from doing it.

The DEPUTY CHAIR — Unfortunately we have to wind up. I thank you very much for your time, your submission and your valuable evidence. Over the next couple of weeks you will receive a copy of the transcript. Please check for any minor errors, but the substance cannot be changed.

Witnesses withdrew.