

Submitted on Saturday, October 27, 2018 - 01:01

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DETAILS  
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Sector: Mining

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NATIVE VEGETATION CLEARING  
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\*1 . Would a strategic approach to clearing, through a strategic purpose permit, benefit you?\*

Response: yes  
Comments:

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\*2. Is the 'purpose component' reasonable to apply considering the added complexity of assessing this type of clearing permit?\*

Response: no  
Comments:  
Firstly, there seems to be no explanation about whether the "purpose component" is additional and cost accumulative to any of the preceding assessment categories, being "intensive" and "extensive".

Secondly, we see no need to make any such additional definition or assessment method. The "purpose component" is not needed. An assessment is an assessment. Extra cost recovery is not seen as required as extra work or complexity will not be carried out.

Thirdly, acquiescing to any part of this "Question 2" should not be read as being an acceptance of any other of the proposed types of cost recovery.

\*3. Is the proposed fee structure fair and does it adequately reflect differences in the financial capacity of clearing permit applicants?\*

Response: no  
Comments:  
It is not fair in all cases. e.g. BHP, a big mining company can easily afford any fee size, but a fledgling, entrepreneurial exploration or mining company may find any fees whatsoever as a prohibitive cost that

may cause projects to be abandoned. Similarly, in the case of Local Government agencies requiring NVCPs, any increase in their costs will inevitably be passed on to ratepayers.

In doing this the DWER is merely attacking the electorate that voted for the relevant government that introduced assessment fees. Our question here is - "has DWER informed ratepayers that they will be paying yet another increase in rates?"

\*4. What is the likely impact on your business or industry of the proposed clearing fee structure?\*

Comments:

Increased costs of any description always causes business to reconsider it's options. If costs increases at one end of the business then costs will be reduced at the other end. This could mean job losses,

business removal to offshore or to other States. These NVCP fees should not be viewed in isolation.

More consideration should be given to the cumulative and compounding of costs being applied across

the WA Industry spectrum. The cost of our sector of the mining industry is likely to be minimal, but

further research is required on the topic at our level. However, the cost to the mining exploration

industry as a whole will be of such magnitude that exploration projects may be abandoned. Capital may

leave WA and go offshore where the cost and regulatory regime is less severe. It needs to be

understood that exploration requires capital that in the initial stages has little likelihood of a return on

investment (ROI). But it is those very same initial stages that create the need for NVC. So by applying

fees at this moment in the project investment cycle, DWER is creating an impediment to investment in

WA's mining future.

\*5. Additional comments regarding Native Vegetation Clearing not addressed in the questions above.\*

Comments:

From comments our organisation heard from the DG of the EPA/DWER at recent seminars, there has

been a 20% reduction in DWER staffing along with a simultaneous but questionable 80% increase in

assessments. This sudden and bizarre increase in assessments seemed to arrive from nowhere just after

the change of government manoeuvres of last year. It is suspicious as such a workload never existed

prior to these changes. APLA made comment at the time that if an regulatory organisation has just

sacked 20% of it's staff but now cannot handle the workload then perhaps it's time that organisation

ceased regulating any further until such time as it can handle the load. APLA has received no proof that

the increased assessment load actually exists and further consultation is required before we can accept

any application of more fees on a the struggling and often fickle exploration industry. Capital can move

out anytime it chooses. We should be giving it a reason to stay in WA, not keep giving it another reason to invest elsewhere in the world.

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WATER  
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\*6. Do you consider it reasonable for taxpayers to pay 100 per cent of the cost of assessing water licence and permit applications and if so, why?\*

Response: yes

Comments:

Taxpayers benefit from the huge mining sector in WA in the form of jobs, personal and State and Federal taxes to pay for community services expected in today's society, royalties to the State of WA. Let's stop putting tripping hazards in front of the exploration and mining industries and let's start incentivising exploration with subsidies.

\*7. If water licence and permit assessment fees were introduced, what do you consider to be an appropriate fee for a water licence or permit application?\*

Comments:

Using "if" as an assumption, further work is required on the ability of the user to pay. Time and time again, a "one size fits all" approach is brought down by public outrage. Some users can't afford what the larger corporates can tolerate. Using "one size fits all" simply alienates those that feel it doesn't fit them.

\*8. Would you consider a risk-based model for determining water licence and permit application fees to be appropriate? If not, what basis could the department use to structure fees?\*

Response: yes

Comments:

There has to be a point at which the risk is so small that fee based assessment is not necessary, not warranted and from that point is "profit inducing". Some large projects that require NVCP would require assessments that far outweigh this proposed "cost recovery fee" scaling. e.g. a major onshore Oil & Gas project, a huge footprint minesite such as iron ore and nickel mining which use broadacre clearing methods. These are scaled at such a level that they would be "loss leaders" for DWER. These loss leaders should not be compensated for by recovering costs on the smaller projects. Cost the bigger assessments "at cost" and not on some illogical fee structure. Any large NVCP assessment should be regarded as a project in itself and should use project management and costing techniques that are common in the resource industry to ensure the DWER adopts proper cost recovery for such.

\*9. What would be the likely impact on your business or industry if water licence and permit fees were introduced?\*

Comments:

See question 4 response.

\*10. If water licence and permit assessment fees were introduced, how could the collection of fees be timed to better support your business or industry?

For example, would you benefit from paying fees up front, at the end of a licence assessment or annualised over the term of the licence?\*

Response: unsure

Comments

Assuming is the operative word here. Why not offer all methods at the time of project costing and

planning. Until that point any method is speculative.

Similarly, we see no reason why existing projects cannot be offered the same choice. All this assume

that cost recovery is acceptable. So far, APLA thinks it is not acceptable.

\*11 . Additional comments regarding Water licences and permits not addressed in the questions above.\*

Comments:

There is a long way to go with this and a simple questionnaire such as this is should be regarded as an adequate final solution to the required "consultation process.

Secondly, I live in fear of losing all that I typed in to to this questionnaire as there seems to be no

intrinsic facility to save and progress to the next question. This is highly unusual in questionnaires and

show little understanding of how it should be done. Losing the whole lot results in surrendering to the

system failure and the consequent loss and not responding at all to the questionnaire. There should be a

"save and move on"

safety method.