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To: State Development
Subject: CM: FW: Questions on notice - Inquiry into post-mining land use- Post-hearing responses - 17 December 2024

OFFICIAL: Sensitive - NSW Government

Good afternoon

Please see attached the Audit Office response to the questions taken on notice at the Inquiry into post-mining land use.

This response has been approved by the Auditor-General.

If you have any questions, please feel free to reach out.

Kind regards

Vanessa Gill
Executive Officer - Corporate, Experience and Strategy

Standing Committee on State Development – Beneficial and productive post-mining land use

17 December 2024

Questions on Notice

Question 1: The Hon. Wes Fang:

I just wanted to ask a couple of questions in relation to findings around issues of preparedness for eventualities where a company might fall over and then the rehabilitation of land—how do we go about ensuring that, where we've got a post-mining land use that's also going to require rehabilitation at a future point, we're capturing that? For example, we might have a post-mining site that's going to be reconfigured for a renewable energy project. It might be a solar farm, or wind farm, or even pumped hydro that will have a limited life span and will require further rehabilitation at another point. Is there a way to capture that change of use that still requires a rehabilitation?

Response:

The Audit Office is currently undertaking a performance audit to assess the effectiveness of the Department of Primary Industries and Regional Development (the Department) in monitoring compliance with, and enforcing mining rehabilitation requirements under, the *Mining Act 1992* and associated regulations. Among other things, the audit will examine whether the Department has established a framework that enables it to effectively regulate mining rehabilitation. This may include an assessment of whether the Department identifies and addresses strategic risks and challenges associated with mining rehabilitation. Further details of this audit can be found on the Audit Office's [website](#).

Question 2: The Hon. Emily Suvaal (Chair):

In terms of the cost calculation tool, again, is that subject to the findings of what you're doing at the moment, in terms of whether that new calculation tool that was recommended has been taken up and is indeed effective? You mentioned looking at international examples. One of the international examples that's been mentioned in a couple of submissions to the inquiry is the ICMM integrated mine closure. I'm not saying it's a one size fits all, but it's been put forward as an example of good practice. There are some gaps that are identified in what it has put forward. At least from the submissions we've received, it seems to be one that is consistently mentioned through the course of the inquiry. Perhaps you could take on notice whether or not you'll have regard to that in particular.

Response: The Audit Office's current performance audit on mining rehabilitation assesses the effectiveness of the Department's framework to ensure adequacy of security deposits. This includes examining whether the Department uses best practice mining principles to inform its cost estimation tool.

As the audit assesses how effectively the regulator carries out its legislative functions, the scope considers elements of best practice regulation approaches and standards. This includes understanding what relevant standards and guides, such as the ICMM integrated mine closure good practice guide, the regulator has considered in establishing its regulatory priorities for mining rehabilitation.

Are any corrections required to the transcript? Please advise below if so.

[Uncorrected transcript - Inquiry into post-mining land use- Post-hearing responses - 17 December 2024.msg](#)