

To: **REGIONAL NSW, MINING, EXPLORATION AND GEOSCIENCE**

Re: **DRAFT QUARTERLY PERFORMANCE REPORT**

11 October 2021

## Introduction

The Association of Mining and Exploration Companies (AMEC) welcomes the opportunity to provide a submission to the Department of Regional NSW, Mining Exploration and Geoscience (MEG) on the *Consultation Draft Quarterly Performance Report – Quarter 3 2021 (Draft Report)*. MEG has requested feedback on the following aspects:

- Suitability of data reporting categories
- Ease of interpreting and interrogating graphs and tables
- Other reportable items which industry considers should be included in future reports
- Target dates
- Indicative processing steps and timeframes
- Exception management principles.

## About AMEC

AMEC is a leading national minerals industry body representing over 400 member companies across Australia. Our members are explorers, emerging miners, producers, and a wide range of businesses and services working in and for the minerals industry.

## Clear reporting will increase transparency and certainty for the NSW minerals industry

AMEC welcomes any proposed amendments to quarterly reporting that ensure transparency on Government service delivery and certainty for the NSW minerals industry. The full review of reporting and timeframes is well overdue – a formal review has not been undertaken since the implementation of the Service Delivery Standards in July 2013 following the introduction of the Administrative Levy in July 2012 that was largely intended to be directed for “*administration and enforcement of the Acts*”<sup>1</sup>. The most recent Annual Utilisation Report on the Fund notes that “*During the 2019/20 financial year (FY), the Fund collected \$29.6 million through the Levy*”.

The Titles Management System (TMS) was developed to “*deliver a fit-for-purpose platform for the transparent and efficient end-to-end management of titles administration*”. The Annual Utilisation Report notes that in the two financial years of 2018-19 and 2019-20, \$10.5 million was spent on the TMS. The system was live for

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<sup>1</sup> [https://www.resourcesandgeoscience.nsw.gov.au/\\_\\_data/assets/pdf\\_file/0003/1258311/Minerals-and-Petroleum-Administrative-Fund-and-the-Investment-Fund-Annual-Utilisation-Report-2020.pdf](https://www.resourcesandgeoscience.nsw.gov.au/__data/assets/pdf_file/0003/1258311/Minerals-and-Petroleum-Administrative-Fund-and-the-Investment-Fund-Annual-Utilisation-Report-2020.pdf)

industry from December 2019 and MEG undertook to review the Service Delivery Standards in view of the implementation of this new system. It is pleasing that finally, almost two years later, this review is underway.

### Ensure that the reports are meaningful and useful

The Draft Report has limited real information that is useful or meaningful to enable either industry, Government and NSW more widely to assess Government performance and use this as a tool for improvement. This does not align with the NSW key priority of “*putting customer at the centre of everything we do*”<sup>2</sup>

After Government spending in excess of \$10 million and more than two years in development of an updated tenure management system, both Government and industry deserve clear reporting to show what is on time and what needs to improve.

AMEC make the following recommendations on the Draft Report for each component, as requested:

### Suitability of data reporting categories

- **Include details of applications in progress** – The Draft Report captures the number of applications and determinations made. However, it should also make note of the number of applications currently in progress. This would provide greater clarity on the true performance of MEG and the actual number of applications being assessed.
- **Show how long applications are taking at each stage** – By showing how long each stage of the process is taking, government can target areas that require improvement and what is working well.
- **Include applications received and assessed separated by group (coal, minerals, petroleum)** – It is important to present an overview of all applications received and determined, however, industry would also benefit from seeing this information split up by coal/minerals/petroleum as it is in section 2.1.
- **Include area for active titles** – Section 2.6 should also include the size of the area covered by active titles as this is an important measure and metric both for industry and the community.
- **Include metrics from at least 12 months ago** – Comparison with the same period 12 months ago is useful and should be included in this report where available, as it is in current reports.

### Ease of interpreting and interrogating graphs and tables

- **Ensure only meaningful graphics are used** – Graphs that are only showing two items (for example the donut graphs in section 2.1) do not add to the understanding of the information being presented. The use of graphs should be restricted to information which will be made more easily digestible through visual representation.
- **Improve use of graphs and infographics** – The graphs provided in the Draft Report are clear and easy to interpret but also basic and add minimal real value to the report. The use of infographics and professional standard graphs would ensure that the document looks both contemporary and professional.

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<sup>2</sup> <https://www.nsw.gov.au/premiers-priorities>

### Other reportable items which industry considers should be included in future reports

- **Include service performance for Resources Regulator applications** – Details on processing times for the activities undertaken by the Resources Regulator (for example ESF2, ESF4) were included in past Quarterly Performance Reports and should be included in future reports in consideration that these processes are critical for industry, the Regulator has also benefited from significant Government spending on the Resources Regulator Portal and is now part to MEG.
- **Report on actual average time taken for the end-to-end processing of applications** – Meeting target dates is important but industry would benefit from clear reports on the actual time it takes for the end-to-end processing of applications.
- **Include details of applications that did not meet the target dates** – Where target dates are not being met, it would be helpful to describe what stage the applications are at, the reason for the delay, and how long the process took once it was complete.
- **Include reporting on applications approved (and not approved)** – Reporting on the number of applications approved and the number not approved would provide clarity to industry regarding the likelihood of an application being determined favorably and assist with forward planning. It will also provide confidence to explorers and investors about the likelihood of a project progressing to the desired stage.
- **Report on number of applications in ‘exceptions management’** – The report should include how many applications are currently under exceptions management with the reason, and how long these applications have been in ‘stop the clock’. At a minimum, the number of applications under exceptions management due to Government delays/pending company return of information should be reported.
- **Include reporting on Aged Dealings** – Reporting on Aged Dealings should be included in this report instead of a separate report for completeness and transparency.

### Target Dates (with indicative processing steps and timeframes)

- **Reduce time for transfers** – Transfers of titles are generally critical to significant business transactions and are usually business critical. Although we understand that many of the Government processes for transfers are the same as for new ELs, a reduction and prioritisation of these activities would support industry investment in NSW.
- **Review target date for Change in Control** – The Change in Control dealing allows 16 days for assessment including 8 days for ‘business units provide advice’. The Resources Regulator is the main advisory body for these applications and the other business units typically would not be involved in what is essentially a corporate review. It also includes one day each for updating databases, issuing correspondence etc. Those tasks should take less than two hours in total and should be actioned in sequence on the same day. The proposed target of 21 days is overly generous. Given the importance of this pre-approval for the ownership of tenements to change, AMEC recommends a shorter processing target is achievable and will greatly assist in facilitating business transactions that support and grow exploration.

### Exception management principles

- **Clarify exception management for security deposits** – Security deposit returns is often business critical and clarity on when and how processing for security deposits is undertaken should be included in the exception management principles.
- **Include exception management for Resources Regulator processes** – As above, the processes managed by the Resources Regulator should be included in the exception management principles.

### Other recommendations

- **Ensure that the Executive Summary is a summary of the report** – The current Executive Summary is really just two introductory paragraphs. An executive summary should be just that – a summary or snapshot of the whole report including outcomes and results.
- **Clarify terms used in the report** – The report uses ambiguous terms that need clarification, possibly using a definition section in an appendix if needed. These include “matters”, “determined”, “dealings”, “change in controls”, and “target dates”.

AMEC looks forward to further consultation on this important matter and if you have any queries regarding this submission, please do not hesitate to contact:

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