Report on Abandoned Mine Management in Australia

1. Introduction
Abandoned mines present significant environmental, social, and financial challenges across Australia. Without responsible parties for rehabilitation, these sites pose risks to ecosystems, public safety, and local communities. This report examines the financial liabilities associated with abandoned mines, the mechanisms used for remediation, and the extent to which these liabilities are reported in financial statements. The findings are based on official correspondence from various Australian states and territories.

2. Financial Liabilities for Legacy Mine Sites by Jurisdiction

2.1 New South Wales
The NSW Government administers the Legacy Mines Program under the Department of Primary Industries and Regional Development. While the total rehabilitation cost of historical mines remains unknown, the state allocated $107.7 million in the 2021-22 Budget for high-risk legacy mine remediation. The program also explores the recovery and reuse of mine waste and collaborates with research institutions to improve rehabilitation efforts.

2.2 Northern Territory
The Northern Territory (NT) manages abandoned mines through the Legacy Mines Unit (LMU), funded by a 4% levy on security mining operators. The collected funds contribute to the Mining Remediation Fund (MRF), supporting priority remediation projects such as the Small Mines Safety Program and Sandy Flat legacy mine rehabilitation. No estimated total financial liability for abandoned mines in the NT was provided.

2.3 Queensland
Queensland classifies abandoned mine sites based on risk, with approximately 100 high-risk abandoned mines and 39 higher-risk sites. The Abandoned Mine Lands Program (AMLP) oversees their management. However, the state does not estimate the total financial liability associated with these sites, relying instead on a risk-based remediation framework.

2.4 South Australia
South Australia (SA) operates under the Mining Act 1971, which holds tenement holders accountable for land rehabilitation. The state employs financial assurance mechanisms such as environmental bonds and the Extractive Areas Rehabilitation Fund (EARF). While SA has a structured approach to assessing and prioritising abandoned mines, no specific financial liability estimate was provided.

2.5 Tasmania
Tasmania's approach to abandoned mine management is guided by the Mineral Resources Development Act 1995 and the Mining Lands Rehabilitation Trust Fund, which receives an annual allocation of $150,000. The Tasmanian Critical Minerals Strategy (launched in November 2024) has also earmarked $3 million to explore new value extraction opportunities from historic mining sites. The state does not provide a total financial liability estimate.

2.6 Victoria
Victoria is actively rehabilitating five abandoned mine sites and has implemented the Former Mines and Quarries Framework Program, funded through the 2022-23 Budget. A consolidated database of abandoned sites is expected by June 2025, which will help assess the scale of the problem. Until this database is completed, the financial liability for abandoned mines in Victoria remains unknown.

3. Aggregate Liability for Australia
The responses from Australian jurisdictions reveal a lack of a comprehensive national estimate of financial liabilities for abandoned mines. While some jurisdictions allocate specific funds (e.g., NSW's $107.7M, Tasmania's $150K annually), no state or territory has provided a complete assessment of the financial burden. The absence of a national liability estimate suggests reporting and financial accountability gaps.

4. Reporting Mechanisms for Financial Liabilities
Most jurisdictions do not report financial liabilities for abandoned mines in their annual financial statements or public reports. Instead, they prioritise risk assessments and rehabilitation programs. Notable findings include:

- **New South Wales, Queensland, and Victoria** emphasise rehabilitation efforts but lack transparent financial reporting of total liability.
- **Tasmania and South Australia** rely on dedicated funds but do not disclose total liability figures.

- **The Northern Territory** uses a levy-based funding model but does not report a formal liability estimate.

5. Conclusion and Recommendations
The management of abandoned mines in Australia varies across jurisdictions, with no unified approach to financial liability estimation or public reporting. Key challenges include:

1. **Lack of National Liability Estimates:** No jurisdiction has quantified the total financial burden of abandoned mines.
2. **Insufficient Funding for Large-Scale Remediation:** While levies and allocated budgets exist, they may not be sufficient to address long-term rehabilitation needs.
3. **Inconsistent Financial Reporting:** Public financial statements rarely disclose liabilities related to abandoned mines.

Recommendations
- **Develop a National Abandoned Mines Database:** A standardised national inventory should be created to assess the full extent of abandoned mines and associated liabilities.
- **Improve Transparency in Financial Reporting:** State and territory governments should incorporate liability estimates into annual financial statements.
- **Increase Funding Mechanisms:** Sustainable funding models, such as expanded levies or rehabilitation bonds, should be explored to address long-term remediation.

Addressing these issues will enhance accountability and improve Australia's approach to abandoned mine rehabilitation.

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