

**Your Reference:**  
**Our Reference:** RG:dh 11/937626 (CM13.2)  
**Contact:**

**RLAB Submission No. 004**  
**Received: 19 January 2012**

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The Research Director  
Industry, Education, Training and Industrial Relations Committee  
Parliament House  
George Street  
BRISBANE QLD 4000

Dear Sir

**Re: Inquiry - Resources Legislation (Balance, Certainty and Efficiency)  
Amendment Bill 2011**

Enclosed herewith please find Council's submission to the above Inquiry.

Should you require further assistance in relation to this matter, please do not hesitate to contact me on (07) 4992 9500.

Yours sincerely



Ray Geraghty  
**CHIEF EXECUTIVE OFFICER**

# ***Resources Amendment Bill 2011***

## ***Banana Shire Council Submission***

Banana Shire Council is concerned about the sustainability of the communities within the Bowen and Surat Basins. Council is of the opinion that the Resources Amendment Bill 2011 has not considered all the factors that would bring Balance, Certainty and Efficiency to communities affected by resource development.

Council requests that the following areas be considered:

### ***Exploration Permits***

Council must be included in the process when the state government issues Exploration Permits (EP), EP's need to include the requirement of exportation companies to:

- Pay Council a permit fee
- Inform councils of the location and timing of exploration
- Secure a bond with Council regarding damage to roads, drainage, fences and grids

### **Rationale**

In the 2010/11 financial year the Banana Shire Council has expended in excess of \$.5M repairing damage to Council assets caused by exploration teams.

### ***FIFO***

Cost shifting by resource companies by encouraging workers to live elsewhere so they do not have to invest in infrastructure needs to be addressed in the amendment bill.

- The lack of long term commitment by many of the resource companies to Rural and Regional communities
- The lack of long term and genuine commitment by State Government to build rural communities and their ongoing support for FIFO
- There needs to be a commitment from both resource companies and the government on developing sustainable communities in the resource regions to support the workforces needed by the mines and coal seam gas producers
- The involvement of local government and affected communities is currently at an unacceptable level, and generally after a decision has been made. It is essential that both local government and affected communities have adequate input into planning processes.
- The nonexistent or poor state policies requiring resource companies to invest in sustainable rural communities
- The policies within government that actively encourage resource companies not to engage with Councils, resulting in resource companies believing that Councils are unimportant in the process and can be ignored until work is about to begin

- All aspects of the social issues that are created when one parent is away from home for extended periods, including pressure on support agencies, education, health, mental health, mono culture suburbs, family separation and divorce, child safety etc.
- Driver fatigue and road accidents
- The reinstatement of the tax incentive for recourse companies to offset the cost of constructing housing

#### **Rationale**

Fly In Fly Out has a major effect on Council infrastructure without any ability to compensation through the rates or charges.

### ***Single Person Quarters (SPQ's)***

At the outset Council would like to make it clear that SPQ's during construction periods will be supported.

However policy needs to be put into place that requires companies to down size SPQ's to accommodate less than 40% of the workforce when a resource company phases into the operational stage.

Other issues that need to be addressed include:

- Council be given planning control of SPQ's on resource leases
- Submission of waste management plans to Council are a requirement of any SPQ development

#### **Rationale**

- Council undertakes 25 year planning studies into the supply of potable water and the disposable and treatment of effluent and the disposal and recycling of refuse. The arrival of a SPQ puts pressure on council services. Also as council spreads the recovery of infrastructure investments over the life of the asset the resource companies do not pay fair and equitable contributions, placing an increased financial burden on rate payers.
- SPQ's discourage investment into rural community due to their lack of permanency and the refusal of SPQ management to purchase locally.

### ***Residential Housing***

The effect of mining on house rentals and house prices in resource areas is significant. In these communities the impact of mining and the associated support industries drives the costs beyond the reach of ordinary wage and salary earners who are not employed in the resource industry.

Steps need to be undertaken to ensure that there is adequate affordable housing available in all communities impacted by the resource industry.

#### **Rationale**

- There is substantial evidence available on the impact of the resource industry on housing affordability and availability throughout the Bowen & Surat Basins.

## ***Terms of Reference (TOR), Environmental Impact Statement (EIS) and Social Impact Management Plan (SIMP) Processes***

During Councils recent engagement with the community in developing its Community Plan the community expressed its wish to be consulted at the TOR stage of the planning process. Council strongly advocates for the legislation to be altered to require resource companies to engage with the community during development the TOR. Communities currently find themselves faced with the need to respond to large and complicated documents that they have had no previous input into.

### **Rationale**

- Engagement during the TOR process will assist the community and Council to have relevant input into the process reducing the need to amend the EIS to the extent that is required now. The process will assist in satisfying community members that they have been engaged with appropriately and ensure that the Community and Placed Based Plans are taken into account.

## ***Planning Contributions to Councils to assess EIS and SIMP documents***

Council advocates for the amendment of government policy to include the collection of a fee for councils to assess EIS and SIMP documents.

As council has a strategic and an operational role to play with the resource companies it requested that the fee is separated from the specific project by pooling the funds within state government ensuring due diligence.

### **Rationale**

- Council estimates that the average EIS and SIMP responses and the pursuing contact and support to resource companies is in excess of \$100,000 per project. Currently the rate payers are meeting this financial burden

## ***Urban Restricted Areas***

Council is concerned that the amendment to the act is not future orientated, in that; it bases its decision on existing population not future population.

Council requests that the amendments are based on future population not existing.

### **Rationale**

- For example a community with a population of 620 is below the required population of 1000 to be given a 2 km restricted area. If 60% of a 500 operational staff mine were to reside within the community it would bring a population increase of 1166 residents, including partners and children, pushing the estimated population of 1786 well above the base of 1000.

## ***Distance for permanent buildings and infrastructure***

The distance of 100 metres and 50 metres respectively is far too short and need to be reviewed.

### **Rationale**

- The reduction in quality of life for residents of any permanent building would be severe.
- Disruption to stock and risk of contamination of water supplies is far too high.

### ***Protection of good quality grazing land and restoration of disturbed land***

The amendment to the act needs to include tighter regulation to protect good agriculture land and the restoration of disturbed land. This should also be expanded to include restoration/rehabilitation of the site as the mine moves forward, rather than waiting until a later date or until mining is completed. Essentially, the restoration/rehabilitation should be conducted as part of the normal day to day mining operations.

### **Rationale**

- The protection of land as a source of food production will be paramount for the future of rural Queensland after the resources are depleted.

### ***Infrastructure Development***

Council advocates for the inclusion of an infrastructure levy that is applied to resource companies to ensure that there is a sustainable future for rural communities, community infrastructure that will support the retention of population and the development of new industries. The infrastructure needs to include roads, rail, public buildings and areas including; health, education and research and recreation.

### **Rationale**

- It is today's infrastructure planning and development that will support the communities of the future and maintain our base industries that are our present and will be our future.

### ***Dispute Resolution & Compliance***

The State Government has a conflict of interest in that it receives the revenue from the mining projects and also is charged to protect the community and environment and to enforce compliance of standards and conditions.

It appears that the enforcement and compliance part of the Government's role lacks funding, resources or direction to enable it to do its job properly; as do rural Councils.

There is no mechanism for Council to get assistance with enforcement or assistance with interpretation of and enforcement of conditions.

Recent examples would include -

- Starting work on sites including putting buildings on sites without plumbing approvals or TMP in place
- arguments around road upgrading requirements
- disregard for the conditions and requirements