



## Queensland Sapphire Miners Association Inc.

PO BOX 364, Rubyvale, Qld 4702

[www.qsma.com.au](http://www.qsma.com.au)

15<sup>th</sup> September 2017

Infrastructure, Planning & Natural Resources Committee.

Parliament House,

Brisbane QLD 4000.

[ipnrc@parliament.qld.gov.au](mailto:ipnrc@parliament.qld.gov.au)

Dear Committee, RE:

The QSMA represents over 600 Mining Members of the Central Queensland Gemfields and have recently been successful in negotiating a landmark Right to Negotiate agreement for several thousand Miners of the Central Queensland Gemfields.

Previously we have sent submissions in regards to the MOLA Bill 2017, these submissions and those of NQMA (North Queensland Miners Association) were not considered for the final draft of this bill.

We respectfully request the committee to view our concerns regarding the content of this bill and how it will affect not only our immediate livelihoods but also the current and future Tourism of the Gemfields Area.

Firstly, we will inform you we were not consulted on this proposed Bill until the 11 hour! Sent to us on the 5<sup>th</sup> July 2017 to be responded to by 21<sup>st</sup> July. We the QSMA were **not in** agreement with this bill whatsoever (**contrary of Mr Lynham's, Bill statement**) as it effects many of our members who are the **backbone explorers** for our area. Our submissions (due to their 11<sup>th</sup> hour notification & consultation) were to the point and it explained the ramifications these amendments would have on all small Miners in Queensland should they be passed.

The document that we were encouraged to reply to was entitled: Draft – Not complete and Not Government Policy Legislative amendments in the Mining and Other Legislation Amendment Bill 2017 (MOLA2017) it was watermarked "**Confidential +Draft**" I did ask why this was confidential as this affects **over 600 members of our association, their reply was this is only a draft**. Our Members are small family owned mining companies and family owned businesses that service the recovery of Royalties for the State and support the Tourism of the Central Queensland Gemfields. Without mining, there will be no Tourism for the Central Queensland Gemfields.

Looking at the material sent on 4/7/2017 by Lyall Henrichsen & Joanna Sorrentini of DRN & M Policy this is the only consultation afforded to us as major stake holders of this legislation see Attachment (1) we also had only the early Draft Legislation to go by.

We will now address the sections in the MWOLA Bill 2017 to which we do not support and the reasons, notwithstanding our vehement opposition to the discrimination against Resource Authority Holders in this legislation and in our humble opinion any orders as to costs in what is primarily a civil dispute, should be awarded by the Courts not legislation.



Page 2

We now refer to the Sections in dispute: **88 Party May seek ADR (4) (d), 89 Conduct of ADR (6)**. We submit that these costs be shared equally by the Landholder and Resource authority holder.

**90 Non -Attendance at ADR (4)**. We do not support this especially if the above sections are adopted as the Resource holder will automatically be responsible for these costs irrespective who is the non-attende is, therefore a shared cost is the only solution. **91 Recovery of Negotiation and Preparation of costs (2)** This gives the Landholder the opportunity to gain all sorts of expensive advice knowing full well the Resource Authority holder must pay. This will only force more referrals to end up in the Lands Court. The resource holder already has the burden of his own costs should the Landholder refuse to negotiate with him in good faith, therefore each party should bear his own costs but it should be the duty of the Courts to hand down costs orders not legislators.

**91 A Party may request Arbitration (3) (d), 91E Costs of Arbitration** this should also be shared equally not to fall on the Resource Holders shoulders. **96B Negotiation & Preparation of Costs (3)** If the landholder does not usually use an agronomist for his Farming practices already, why should there be a requirement for this service to be paid by a Resource Authority Holder? This is an added cost that small miner cannot afford as explorers. If this was to be added than this should be on a shared costs basis, this would then make the Landholder think twice about the services of an agronomist. **246 Recovery of particular negotiation and preparation costs (1) (2) (3)** This added cost to the small mining resource holder needs to be struck out in its entirety for the future of Exploration in Queensland. **426 Parties May seek conference or independent ADR (9)** Once again this should be shared costs, if not this is discrimination of the Resource Holder. **433A Parties May Request Arbitration (3) (d) and 433E Costs of Arbitration (1)** further costs that need to be shared for these negotiations to be conducted in good faith and for discrimination not to occur. Recommendation: That Arbitration costs and any Practitioner costs to be shared equally between Landholder and Resource Industry Holder.

Under all Queensland Landholders Deed of Grant, they have specified reservations please note: (a) All minerals (as defined by the Mineral Resources Act 1989) on and below the surface of the land (b) The right to access for the purpose **of searching for and working any mines** (as defined by the Mineral Resources Act 1989) in any part of the land.

These reservations prove the Landowners do not own the Minerals and the landowners are not to interfere with Exploring or Mining. These reservations have been ignored by the Departments when drafting legislations. The drafting of this Legislation has proven time again to be detrimental to the Explorer or Miner who win royalties for the state, therefore this draft legislation is not supported by our members, nor were we, as major stake holders consulted prior to this bill's drafting.

We hereby respectfully request serious consideration to these objections and the ramifications this Bill will have on the small miners of Queensland.

Yours sincerely,

Carolyn Joy Graham (Secretary QSMA)

Email:



**Carol**

**From:** "HINRICHSEN Lyall"  
**Date:** Wednesday, 5 July 2017 1:34 PM  
**Attach:** Table of MOLA items.docx; CONSULTATION DRAFT MOLA Bill 2017.pdf  
**Subject:** Consultation Draft - Mining and Other Legislation Amendment Bill 2017

Good afternoon

The Department of Natural Resources and Mines is progressing amendments to a number of Resources Acts and the Water Act. These amendments focus on:

- changes to the statutory negotiation and alternative dispute resolution process for conduct and compensation agreements in the *Mineral and Energy (Common Provisions) Act 2014* and make good agreements in the *Water Act 2000* as proposed in the Gasfields Commission Review 2016;
- changes to the way that compensation agreements are referred to the Land Court; and
- other amendments to improve the operation of the Resources Acts.

These change are proposed to be made in the Mining and Other Legislation Amendment Bill 2017. A draft consultation version of the Bill is attached for your comment. A summary table of the amendments and where they can be found in the consultation draft is also attached.

This is being provided to you **in-confidence** and we would ask that you not forward this or distribute it more widely.

If you would like to provide feedback, could you please send your comments to [ResourcesPolicy@dnrm.qld.gov.au](mailto:ResourcesPolicy@dnrm.qld.gov.au) by COB 21 July 2017.

Someone from the department will contact you in the next week to discuss any interim feedback and/or organise a meeting to discuss the changes further if required.

Regards

Lyall Hinrichsen  
 Actina Executive Director, Mineral and Energy Resources Polic

[www.dnrm.qld.gov.au](http://www.dnrm.qld.gov.au)

Department of Natural Resources and Mines  
 Level 5, 1 William Street, Brisbane Q 4000  
 PO Box 15216 City East Q 4001



Proudly working with White Ribbon to create a safer workplace  
 Australia's campaign to stop violence against women

-----  
 The information in this email together with any attachments is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. There is no waiver of any confidentiality/privilege by your inadvertent receipt of this material.

Any form of review, disclosure, modification, distribution and/or publication of this email message is prohibited, unless as a necessary part of Departmental business.

If you have received this message in error, you are asked to inform the sender as quickly as possible and delete this message and any copies of this message from your computer and/or your computer system network.  
 -----

6/07/2017



Legislative amendments in the Mining and Other Legislation Amendment Bill 2017  
(MOLA 2017)

Proposed change #	Detail
<p><b>#1 Statutory Negotiation and Alternative Dispute Resolution Process for Conduct and Compensation Agreements</b></p>	<p><b>Conduct and Compensation Agreements</b> This is based on recommendations 4, 7, 8, 9 of the Gasfields Commission Review. Changes refine the current process and do not represent a significant departure from the existing legislation.</p> <p>The statutory negotiation and dispute resolution process will remain in the <i>Mineral and Energy Resources (Common Provisions) Act 2014</i> (MERCPC Act) and the proposed changes will apply to all resource authorities granted under the resource Acts to which the MERCPC Act's compensation and negotiated access provisions currently apply.</p> <p>Key changes:</p> <ul style="list-style-type: none"> <li>The option for the parties to elect to attend a conference will remain. However, legislative changes will be made so this option sits outside the new statutory negotiation process and no longer satisfies the requirements for a party to make an application to the Land Court for a determination.</li> <li>The notice of intent to negotiation (NIN) will continue to be the first stage in the new statutory negotiation and dispute resolution process. If parties are unable to agree to a conduct and compensation agreement (CCA) within the NIN stage, they may progress to an alternative dispute resolution (ADR) process by issuing an ADR election notice. The process will be for non-determinative ADR types only such as case appraisal, mediation or conciliation. The resource authority holder will be responsible for the cost of the ADR practitioner. If parties are unable to reach a CCA at the end of the ADR process, they can either progress to arbitration or the Land Court.</li> <li>Changes are proposed to establish arbitration as a distinct stage in the statutory negotiation and dispute resolution process and as an alternative to applying to the Land Court for a determination. Both parties have to agree to attend arbitration and the costs will be shared unless the parties did not attend ADR. In this case the resource authority holder will be responsible for the cost of arbitration.</li> <li>The resource authority holder will be responsible for the professional fees necessarily and reasonably incurred in the negotiation of a CCA including where a resource authority holder abandons the negotiation. The parties may apply to the Land Court for a declaration as to which fees were necessarily and reasonably incurred if a dispute about the fees arises.</li> <li>The professional costs for negotiating a CCA will be extended to include the cost of an agronomist.</li> </ul>
<p>Find in draft Bill at clauses 20 through 43 inclusive, pages 17 through 34 inclusive. Consequential amendments made as a result of these changes can be located in the amendments to each of the resources Acts in the Bill.</p>	<p><b>Make Good Agreements</b> This is based on recommendations 7 &amp; 8 of the Gasfields Commission Report. Changes refine the current process and do not represent a significant departure from the existing legislation.</p> <p>The statutory negotiation and dispute resolution process will remain in the Water Act and the proposed changes will apply to all resource authorities granted under the resource Acts to which the Water Act's make good agreement provisions currently apply.</p> <p>Key changes:</p> <ul style="list-style-type: none"> <li>The option for parties to elect to attend a conference will remain.</li> </ul>
<p>Make Good Agreements Find in draft Bill at clauses 137 through 143 inclusive, pages 91 through 98 inclusive. Consequential amendments made as a result of these changes can be located in the amendments to each of the resources Acts in the Bill.</p>	



Proposed change #	Detail
<p><b>#3 Access to Arbitration for overlapping coal and petroleum safety disputes under the MERCPC Act</b></p> <p>Find in draft Bill at clause 41, page 32.</p>	<ul style="list-style-type: none"> <li>The election notice will continue in the first stage of the new statutory negotiation and dispute resolution process, however it will be two distinct notices: a conference election notice; and an alternative dispute resolution (ADR) election notice. If parties are unable to agree to a make good agreement (MGA) at this stage, they may progress to an ADR process by issuing an ADR election notice. The process will be for non-determinative ADR types only such as case appraisal, mediation or conciliation. The resource authority holder will be responsible for the cost of the ADR practitioner. If parties are unable to reach a MGA at the end of the ADR process, they can either progress to arbitration or the Land Court.</li> <li>The proposed changes will exclude arbitration as a form of ADR, and include arbitration as an alternative to the Land Court for appeals about MGA disputes.</li> <li>The proposed changes include the parties being made aware of the consequences of agreeing to arbitration, that is, they cannot make an application to the Land Court.</li> <li>Unlike the CCA amendments, if the parties have not previously participated in an ADR about the dispute and before an arbitrator is appointed, the costs of arbitration will be shared equally by the parties unless the parties agree or the arbitrator decides otherwise.</li> </ul> <p>The new overlapping tenure safety framework for coal and petroleum commenced on 27 September 2016 and requires site senior executives for the coal mine and petroleum tenure holder operators to develop and maintain joint interaction management plans for the overlapping operations, either through agreement or arbitration.</p> <p>Access to arbitration for any safety disputes is set out in chapter 4, part 6, division 4 of the <i>Mineral and Energy Resources (Common Provisions) Act 2014</i>.</p> <p>Consultation with industry in February 2017 identified a gap in access to arbitration for a safety dispute, primarily impacting on tenures under the Petroleum Act 1923 due to the definition of "resource authority holder" applying too narrowly in chapter 4 part 6, division 4 of the <i>Mineral and Energy Resources (Common Provisions) Act 2014</i>.</p> <p>The amendment ensures that authority to prospect holders under the <i>Petroleum Act 1923</i> are not excluded from accessing arbitration for a safety dispute, by deleting references to resource authority holders in section 175 <i>Mineral and Energy Resources (Common Provisions) Act 2014</i>.</p> <p>Consultation with industry in late 2016 revealed a drafting error in the <i>Petroleum and Gas (Production and Safety) Act 2004</i> (P&amp;G Act) which arguably enables petroleum tenure holders under the <i>Petroleum Act 1923</i> to not be subject to the same safety regulation as tenure holders under the P&amp;G Act (in some ways), including in relation to the making of joint interaction management plans for petroleum operations that are overlapping with coal mining operations.</p> <p>Amendments are required to ensure that the safety coverage and requirements of safety provisions in the P&amp;G Act apply equally to operating plant under authorities under the P&amp;G Act and the <i>Petroleum Act 1923</i>.</p> <p>Specifically, subsection 670(10) of the P&amp;G Act which sets out definitions for section 670 "what is operating plant?", is amended so that "petroleum authority" not only covers the petroleum authorities in section 18 of the P&amp;G Act but also petroleum tenures under the <i>Petroleum Act 1923</i>.</p> <p>There are also transitional provisions to ensure operations can continue under the old safety framework until overlapping operations which include petroleum authorities under the <i>Petroleum Act 1923</i> have made a joint interaction management plan through agreement or arbitration.</p>
<p><b>#4 Application of the safety provisions of the <i>Petroleum and Gas (Production and Safety) Act 2004</i> Act to petroleum authorities under the <i>Petroleum Act 1923</i></b></p> <p>Find in draft Bill at clause 4, page 12-13, clause 98, page 76-77; clause 127, page 86-87; clause 135, page 89-90.</p>	<p>The amendment ensures that authority to prospect holders under the <i>Petroleum Act 1923</i> are not excluded from accessing arbitration for a safety dispute, by deleting references to resource authority holders in section 175 <i>Mineral and Energy Resources (Common Provisions) Act 2014</i>.</p> <p>Consultation with industry in late 2016 revealed a drafting error in the <i>Petroleum and Gas (Production and Safety) Act 2004</i> (P&amp;G Act) which arguably enables petroleum tenure holders under the <i>Petroleum Act 1923</i> to not be subject to the same safety regulation as tenure holders under the P&amp;G Act (in some ways), including in relation to the making of joint interaction management plans for petroleum operations that are overlapping with coal mining operations.</p> <p>Amendments are required to ensure that the safety coverage and requirements of safety provisions in the P&amp;G Act apply equally to operating plant under authorities under the P&amp;G Act and the <i>Petroleum Act 1923</i>.</p> <p>Specifically, subsection 670(10) of the P&amp;G Act which sets out definitions for section 670 "what is operating plant?", is amended so that "petroleum authority" not only covers the petroleum authorities in section 18 of the P&amp;G Act but also petroleum tenures under the <i>Petroleum Act 1923</i>.</p> <p>There are also transitional provisions to ensure operations can continue under the old safety framework until overlapping operations which include petroleum authorities under the <i>Petroleum Act 1923</i> have made a joint interaction management plan through agreement or arbitration.</p>



Proposed change #	Detail
<p><b>#5 Allow petroleum facility licence applications in broader circumstances</b></p> <p>Find in draft Bill at clause 111, page 82; clauses 120-122, page 85-86; &amp; clause 132, page 88.</p>	<p>Currently, the definition of 'petroleum facility' in s17 of the <i>Petroleum and Gas (Production and Safety) Act 2004</i> (P&amp;G Act) means that owners of facilities on a petroleum lease or pipeline licence cannot apply for a petroleum facility licence under s443. By omitting s17(2), the amendments will clarify that a petroleum facility is a facility for the distillation, processing, refining, storage or transport of petroleum, other than a distribution pipeline, regardless of whether it is on a pipeline licence or petroleum lease etc.</p> <p>The P&amp;G Act will also be amended to ensure that petroleum facilities currently covered by s17(2) do not need a petroleum facility licence to operate (i.e. they can continue to be authorised as incidental activities of the petroleum lease or pipeline licence etc). This will be done by inserting a new s442A and amending s803. Lastly, s443(3) will be deleted as it is no longer required following the deletion of s17(2).</p>
<p><b>#6 Clarify the ability of the Land Court to remit withdrawn objection matters to DNRM after a directions hearing (for mining claims and mining leases)</b></p> <p>Find in draft Bill at clause 49, page 36 &amp; clause 64, page 48.</p>	<p>Presently, the Land Court sends back objection matters to DNRM after all objections have been withdrawn, even if they are withdrawn after a directions hearing has occurred. The <i>Mineral Resources Act 1989</i> (MRA) provides the Land Court can send matters back if all properly made objections are struck out or withdrawn <i>before a hearing starts</i>.</p> <p>The amendments to s72(5) and 265(10) will make clear that the objections matter can be remitted to the DNRM chief executive if all properly made objections are withdrawn (MC and ML) or struck out (MLs only) before the Land Court forwards a recommendation or determination to the Minister.</p> <p>The aim is to reduce the number of compensation matters being automatically referred to the Land Court.</p>
<p><b>#7 Changes to compensation negotiation between miners and landowners and Land Court referral (for mining claims and mining leases)</b></p> <p>Find in draft Bill at clauses 51 through 53 inclusive, pages 37 through 39 inclusive; clauses 67 &amp; 68, pages 51 &amp; 52; clauses 70 &amp; 71, page 53; clause 83, page 64; &amp; clause 91, page 68.</p>	<p>This will require amendment to Chapter 3 (mining claims) and Chapter 6 (mining leases) of the <i>Mineral Resources Act 1989</i> (MRA).</p> <ol style="list-style-type: none"> <li>For the initial grant of a mining claim or lease the amendments will: <ul style="list-style-type: none"> <li>remove the chief executive's automatic referral to the Land Court if there is no compensation agreement after the three month negotiation period – instead the application to the Land Court will need to be made by the applicant (the landowner can still apply to the Land Court at any time before the applicant does)</li> </ul> </li> <li>For renewal of an existing mining claim or mining lease: <ul style="list-style-type: none"> <li>require the renewal applicant to notify the landowner a renewal application has been made within 5 business days (at present the landowner is not notified of a renewal application). Renewal applications are made 6-12 months before the term of the tenure expires. The renewal applicant will also need to provide the landowner with a copy of their existing compensation agreement and new prescribed guidance material;</li> <li>remove the chief executive's automatic referral to the Land Court that currently occurs three months after the tenure would otherwise expire;</li> <li>the applicant or landowner is able to refer the matter to the Court after the renewal application is made and before three months after the tenure would otherwise expire;</li> <li>if there is no new compensation agreement or no Land Court referral at the end 3 months after the tenure would expire, then the existing</li> </ul> </li> </ol>



Proposed change #	Detail
<p><b>#8 Allow restricted land to be included with an existing mining lease with landowner consent</b></p> <p>Find in draft at clause 23, page 18; clause 48 page 35; clause 63, page 48; clause 65, page 49</p>	<p>compensation agreement is taken to be the compensation for the renewal period.</p> <p>The amendments will be applied prospectively – for applications (for either grant or renewal) made after the new provisions commence. Existing applications (grant or renewal) will continue using the unamended provisions.</p> <p>Currently restricted land is not part of a granted mining lease unless the landholder consents in writing and the applicant lodges the owner's consent with DNRM before the last objection day for a mining lease application ends.</p> <p>After this point, if a landowner consents, the mining lease holder can only add the restricted land to the mining lease by applying for a new mining lease for the restricted land (with all of the associated processes and approvals including objections).</p> <p>The <i>Mineral Resources Act 1989</i> is proposed to be amended to provide a process by which restricted land may be added to the area of mining lease application or granted mining lease where landowner consent is obtained at any time (without the associated objections processes etc).</p>
<p><b>#9 Reintroduction of pre-requisite tenures included for coal mining leases</b></p> <p>Find in draft Bill at clause 62, page 47-48.</p>	<p>The introduction of <i>Mineral and Energy Resources (Common Provisions) Act 2014</i> amended s232 of the <i>Mineral Resources Act 1989</i> (MRA) and removed the requirement for pre-requisite tenures for mining leases. This amendment was aimed particularly at the north Queensland small scale alluvial sector and intended to reduce costs for industry. Concerns have been raised that the removal of prerequisite tenures undermines the integrity of the competitive and cash tendering process for coal as it can allow an application for a mining lease (ML) for coal without the need to hold a pre-requisite tenure (i.e. an exploration permit for coal (EPC) or mineral development licence (MDL)).</p> <p>This Bill proposes amendments to section 232 of the MRA to require that an eligible person must first hold a pre-requisite tenure (EPC, MDL, or prospecting permit), or have the consent of the holder, in the area of the ML application. The amendments proposed will only apply to coal tenures.</p>
<p><b>#10 Flexibility in the coal exploration tenure system for existing coal mining projects</b></p> <p>Find in draft Bill at clause 55, page 40; clause 56; page 41-45.</p>	<p>The ability to apply for an exploration permit for coal (EPC) is limited to only a competitive tender process. The Department has received feedback from industry that the competitive release process is not suitable on all occasions. Feedback has indicated that there are instances where an existing coal mining project requires land contiguous to the project that does not fit the criteria for a competitive land release.</p> <p>Amendments to the <i>Mineral Resources Act 1989</i> (MRA) are proposed to enable established coal mining projects the ability to apply for an EPC, other than through the competitive tender process. The amendments will insert a new division in chapter 4 (Exploration Permit) of the MRA. For the most part, the existing requirements to apply for an exploration permit and the conditions for holding an exploration permit will apply to this new division. However, it is proposed that some restrictions will apply. Restrictions will include that the application for the EPC:</p> <ul style="list-style-type: none"> <li>• must be over land that is contiguous to an existing coal mining project;</li> <li>• must not be over land that is already the subject to a granted EPC, MDL or ML for coal, or an application for an EPC, MDL or ML for coal;</li> <li>• must not be over land that is identified or likely to be identified as land to be released for tender for coal; and</li> <li>• is limited in areal extent to a maximum of 6 sub-blocks in size.</li> </ul>



Proposed change #	Detail
<p><b>#11 Clarifying activities allowed on registered 'access' land</b></p>	<p>A Land Court decision in December 2015 (Byerwen Coal Pty Ltd v Colinta Holdings Pty Ltd &amp; Anor) raised concerns that use of land registered for access for activities such as resource haulage may be unlawful. Land registered for access is routinely authorised for mining leases in Queensland.</p> <p>The <i>Mineral Resources Act 1989</i> is proposed to be amended to clarify the allowed activities on land for access to a mining claim, mineral development licence or mining lease. These activities would include the transportation of mined resources and the construction of road transportation infrastructure, as well as the movement of goods, machinery and people. The allowed activities will be limited by what is reasonably necessary for carrying out any authorised activities for the tenure.</p> <p style="text-align: right;">* Yes -</p>
<p><b>#12 Insert a head of power in the MRA for confidentiality periods to be set by Regulation</b></p>	<p>Amendment of the <i>Mineral Resources Act 1989</i> is proposed to include a head of power for confidentiality periods to be set in the regulation, using sections 549-551 the <i>Petroleum and Gas (Production and Safety) Act 2004</i> as model legislation. This will allow DNRM to set confidentiality periods in the regulation in the future once they have been further considered.</p> <p>The proposal will also allow for a transitional confidentiality period for reports already lodged / for existing tenures.</p>
<p><b>#13 Remove unnecessary prescription for reporting under exploration permits and mineral development licences</b></p>	<p>Amendments to remove the timeframes in the <i>Mineral Resources Act 1989</i> (MRA) for reports for exploration permits and mineral development licences are proposed. This will enable timeframes to be provided in the Regulation instead. Specifically, the amendment makes changes to sections 141(1)(e) and 194(1)(e) of the MRA to remove the prescribed timeframes for giving reports, while retaining all other detail.</p> <p>The Mineral Resources Regulation 2013 is then proposed to be amended to put the timeframes in the Regulation. If in the future DNRM wants to change the timeframes, only the Regulation will need to be amended.</p> <p style="text-align: right;">7</p>
<p><b>#14 Add the ability to require annual reports for mining leases</b></p>	<p>There are currently no requirements prescribed under the <i>Mineral Resources Act 1989</i> (MRA) for holders of a mineral mining lease to provide reports to DNRM.</p> <p>There are requirements for reporting for coal mining lease holders and oil shale mining lease holders.</p> <p>The amendments propose to :</p> <ul style="list-style-type: none"> <li>amend the MRA to require holders of mining leases to report in the way, time, and manner prescribed by a regulation for an annual report, relinquishment report, and surrender report (see new sections 315, 315A and 315B);</li> <li>omit sections 318CV, 318 CX and 318CY and their substantive detail moved to the Mineral Resources Regulation 2013.</li> </ul> <p>In future, the Regulation will be able to be amended to specify what types of mining lease holders are required to provide the reports (e.g. if DNRM only wishes overlapping coal mining lease holders to provide an annual report, instead of all coal mining lease holders).</p> <p style="text-align: right;">NO</p>

Annual Reports mining code

EHP Dep.

An Added Cost.



Proposed change #	Detail
<p><b>#15 Removal of requirement to obtain the consent of the owner of a reserve when entering land under section 386V</b></p> <p>Find in draft Bill clause 90, page 67.</p>	<p>Section 386V of the <i>Mineral Resources Act 1989</i> (MRA) allows a person without a resource authority to enter land and carry out activities on that land for the purpose of defining a boundary of a proposed resource authority. The conditions and requirements for entry under section 386V were based on current requirements for prospecting permits.</p> <p>Amendment of Schedule 1 of the <i>Mineral Resources Act 1989</i> (MRA) is proposed to remove the requirement for a person entering land under section 386V to obtain the written consent of the owner of a reserve (section 4). The rationale for the change is that at the time of the initial instruction, the impact of mirroring the requirements of section 19 to a person seeking to enter land under section 386V was not fully understood.</p>
<p><b>#16 Removal of penalties for breach of conditions of a prospecting permit (section 35) and breach of condition of entry under section 386V (section 386Y)</b></p> <p>Find in draft Bill at clauses 46-47, pages 34 &amp; 35; &amp; clause 87, page 66.</p>	<p>Section 386V of the <i>Mineral Resources Act 1989</i> (MRA) allows a person without a resource authority to enter land and carry out activities on that land for the purpose of defining a boundary of a proposed resource authority. Section 386Y of the MRA provides a process for penalising a person who has entered land under section 386V but has contravened a condition of their authority to enter the land, or has contravened the MRA.</p> <p>It is considered that the cancellation of the section 386V authority to enter land using section 386Y is a more effective consequence for contravention of a condition or contravention of the MRA than applying penalty units. This is also the case for the 5 penalty unit penalty imposed for breach of a condition of a prospecting permit, or breach of the MRA.</p> <p>Amendment to the MRA is proposed to remove the power for the chief executive to fix a penalty of up to 5 penalty units for breach of a prospecting permit (section 35) or for contravening a condition when acting under s386V. As a consequence of these changes, it is proposed to omit the ability of a person to appeal the imposition of the penalty.</p>
<p><b>#18 Amendment to clarify application of sections 833 and 834</b></p> <p>Find in draft Bill at clause 88, page 67; clause 89, page 67; clause 91, page 69.</p>	<p>Sections 833 and 834 are transitional provisions inserted into the <i>Mineral Resources Act 1989</i> (MRA) by the <i>Mineral and Energy Resources (Common Provisions) Act 2014</i> (MERCPC Act). The provisions were inserted as a result of the MERCPC Act's repeal of Schedule 1A of the MRA.</p> <p>Sections 833 and 834 of the MRA require amendment to clarify that the provisions relate only to mining lease applications and mining tenements to which the alternative state provisions (ASPs) of Schedule 1A would have or had applied. Under the current drafting of these provisions, this is not clear.</p> <ul style="list-style-type: none"> <li>• Amend section 833 to clarify that the section only applies to mining lease applications to which the ASPs would have applied.</li> <li>• Amend section 834 to clarify that the section only applies to granted mining tenements (as defined under the MRA) to which the ASPs applied.</li> </ul>
<p><b>#19 Removing references to 'stamp duty' for compensation agreements</b></p> <p>Find in draft Bill at clause 51, page 37; clause 54, page 40; clause 67, page 51;</p>	<p>Amendment of the <i>Mineral Resources Act 1989</i> (MRA) is proposed to eliminate compensation agreements being unnecessarily sent to the Office of State Revenue for stamping as a compensation agreement is not a dutiable transaction under the <i>Duties Act 2001</i>.</p> <p>The (MRA) implies that compensation agreements must be stamped by the Office of State Revenue before being lodged with DNRM. This is an unnecessary step and inserts an administrative action requirement by the holder of certain mining tenements under the MRA.</p>



Proposed change #	Detail
<p>clause 69, page 53; clause 73, page 55 &amp; clauses 84-85, page 65.</p>	
<p><b>#21 Changes to streamline the petroleum infrastructure report</b></p> <p>Find in draft Bill at clause 124, page 86.</p>	<p>Amendment of the <i>Mineral Resources Act 1989</i> is proposed to remove sections 552A and 552B to reduce duplication by streamlining reporting requirements for Petroleum Leases.</p> <p>This will remove the requirement for an infrastructure report and rely on the annual safety report to provide this information. Section 552A of the <i>Petroleum and Gas (Production and Safety) Act 2004</i> (P&amp;G Act) requires an infrastructure report to be lodged before September 1 of each year for each PL administered under this Act. Section 552B of the P&amp;G Act states the detail required in this report about any infrastructure that has been built on the PL during the previous financial year.</p>
<p><b>#23 Changes to water observation/monitoring bore provisions</b></p> <p>Find in draft Bill at clause 79, page 57; clause 100, page 77; clauses 102-104, page 79-80; &amp; clauses 115-117, page 83-84.</p>	<p>Amendments are proposed to make provision for a water observation bore to be able to be transferred to the State and align the definition of water observation bore in the <i>Petroleum Act 1923</i> with that in the <i>Mineral Resources Act 1989</i> (MRA) and the <i>Petroleum and Gas (Production and Safety) Act 2004</i> (P&amp;G Act) as follows:</p> <ul style="list-style-type: none"> <li>• Provide for the owner of a water observation bore, under the P&amp;G Act or the <i>Petroleum Act 1923</i>, to be able to transfer the water observation bore to the State without requiring full decommissioning of the bore before the transfer is effected.</li> <li>• Provide for the owner of a water observation bore, under the MRA, to be able to transfer the water observation bore to a holder of a mineral development licence, mining lease, or water monitoring authority, or the landowner on whose land the bore was drilled, or the State without requiring full decommissioning of the bore before the transfer is effected.</li> <li>• Amend the MRA to provide for the decommissioning of a water monitoring bore constructed under the authority of the MRA, similar to the provisions about decommissioning detailed in chapter 10, part 2 division 4 of the P &amp; G Act.</li> <li>• Amend the definition of a 'water observation bore' under the <i>Petroleum Act 1923</i> so it is consistent with the definitions under the P&amp;G Act, MRA and the <i>Water Act 2000</i>.</li> </ul>
<p><b>#24 Minor consequential amendments that correct technical errors or amend legislation to take account of current drafting practice.</b></p>	<p>Amendments are proposed to correct minor errors in the Resources Acts.</p> <p>Minor amendments to correct:</p> <ul style="list-style-type: none"> <li>• the physical address of the department referred to in Resource Acts; and</li> <li>• section references within Resource Acts as a consequence of amendments made by previous amendment Acts</li> </ul> <p>Find in draft Bill clause 6, page 14; clause 10, page 15; clause 12, page 15; clause 13 – 15 inclusive, page 16; clause 42, page 32; clause 45, page 35; clause 92, page 69; clause 100 - 101, page 77-78; clause 105-106, page 80-81; clause 112-114 inclusive, page 82; clause 118-119 inclusive, page 84; clause 123, page 85; clause 125-126 inclusive, page 86; clause 131, page 87; clause 133-134, page 88-89; clause 136, page 90.</p>