

15 January 2014

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Mr David Gibson MP
Chair
State Development, Infrastructure and Industry Committee
Parliament House
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Dear Mr Gibson

Inquiry into the Regional Planning Interests Bill 2013

The Queensland Exploration Council (QEC) is pleased to make a submission to the State Development, Infrastructure and Industry Committee to inform its inquiry into the Regional Planning Interests Bill 2013 ('the bill').

The aim of the Queensland Exploration Council (QEC) is to position Queensland as a minerals and energy exploration leader by 2020, with the City of Brisbane at its heart. The QEC has set itself an aggressive agenda to elevate business and public awareness of Queensland's untapped potential as an international minerals and energy hub. QEC endeavours to influence perceptions about the importance of exploration, and promote Queensland's prospectivity to investors and businesses that support the exploration sector.

Exploration is the R&D of the resources industry and continued innovative exploration activity is required to ensure the resources industry remains strong and vibrant into the future.

Queensland's prospectivity is an obvious factor driving resource exploration but so is investor confidence to support this high risk/high reward activity. Mineral and gas exploration is a costly activity. Only 1 in 1,000 exploration projects leads to a commercial mineral deposit. If resource exploration and subsequent development of discoveries is restricted over large areas of the state, there will be a decline in funding available for exploration, particularly early stage or "grass roots" exploration and a consequent decline in discovery and development to ensure the continued growth of the state's Resources Pillar.

Resource explorers require continued access to as much of the State as possible because the knowledge of resource occurrence and its economic value is constantly changing. New techniques for understanding the geology and resource potential across Queensland are constantly identifying new targets for exploration in areas previously considered non-prospective. For example, aerial geophysical surveys by the Geological Survey of Queensland over the Eulo area of south western Queensland have identified areas where potentially mineralised rocks are within 300 metres of the surface in country that was previously thought to be of no exploration interest. The rapid discovery of coal seam gas through the Surat and Bowen Basins has reached into areas of southern and central Queensland that were previously thought to have low prospectivity for gas.

New commodities like rare earths and strategic minerals have been the target of exploration in previously rejected areas because the demand for those minerals has boomed and there are geochemical analytical techniques now available to detect those minerals in rock, soil and stream sediments. Companies are re-analysing soil, stream and rock samples from areas of Cape York which had previously been passed over but which now show encouraging indications of rare and strategic minerals.

Coal exploration companies have expanded the known coal deposits across large areas of the state where viable coal deposits were previously unknown. Infrastructure availability such as the planned rail lines and port for the Galilee Basin have also improved the economic viability and vastly increased the known resources of the coal deposits in the central west where previously very little exploration has been done.

Access to land is already problematic in Queensland, so the introduction of what appears to be a new veto power for landholders and their neighbours in Priority Agricultural Areas (PAAs) and an outright veto power for Local Governments in Priority Living Areas (PLAs) will be poorly received by potential investors in exploration. Effectively removing PLAs and PAAs from resource exploration and development will substantially reduce the amount of land available for new discoveries when Statutory Regional Plans cover the State. It must be noted that the areas occupied by resource extraction activities affect a very small portion of PAAs and PLAs. Requiring a Regional Interests Authority for resource developments in the broadly defined Areas of Regional Interest adds another level of cost, uncertainty and red tape for developing resource discoveries. Investors will be unnerved by the prospect of possible long delays (and even a veto) in exploration access and in development approvals and are likely to put their funds elsewhere.

If the proposed PLA regime was in place in the late 1980s, the proposal to reactivate the Gympie gold field would have had to be approved by the local government, adding another layer to the bureaucratic process before that major injection of investment was brought into the Gympie economy. In effect, the developers did have the support of the majority of local residents through the information and financial support programs they initiated informally.

The proposed use of the Planning and Environment Court to hear appeals on these matters could provide another jurisdiction for vexatious objectors to frustrate the established approvals processes. Companies seeking investment for exploration in Queensland will have to convince sceptical investors that these new appeal provisions and additional legal jurisdictions are not impediments to resource discovery and development.

As drafted, the Regional Planning Interests Bill 2013 can be expected to have major impacts on investment decisions particularly as the critical detail of coexistence and assessment criteria is not yet available and will be included in the Regional Planning Interests Regulation. The Committee should insist on an opportunity to scrutinise the Regulation and associated policies before commenting on the Bill. It may also be beneficial for the Committee to request an inter-jurisdictional comparison of similar legislation to assist in quantifying the potential impact of the Bill and the associated regulation.

Yours sincerely



Geoff Dickie
Chairman