




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

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MINISTERIAL STATEMENT

Resources Projects, Land Rehabilitation

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer and Minister for Trade and Investment) (3.07 pm): I want to outline steps being taken by the Palaszczuk government to better manage the rehabilitation of mines and other resource projects where operators have failed to meet their obligations to fund any clean-up and environmental remediation. The new system, expected to be in place by mid-2018, has been developed following the release in May of the first in a series of discussion papers. That was followed by consultation with individual resource companies, peak resource industry and environmental bodies, and members of the public.

The government will introduce new rehabilitation planning requirements as well as proceed with establishing the financial provisioning scheme to replace the existing outdated financial assurance arrangements. At present, and as a last resort, the state government may need to meet the costs for managing the health, safety and environmental impacts from land disturbed by resource activity. To manage this risk, resource project operators provide financial assurance to the government to cover their expected rehabilitation costs, but in some cases that may not be sufficient. The proposed new financial provisioning scheme will lower the risk to taxpayers for footing clean-up bills. Project operators will either make a payment into a fund to cover potential future clean-up costs or be required to provide a surety. Projects deemed to be lower risk will have lower contribution rates to the fund.

The risk based approach will mean sufficient funds are available for rehabilitation while recognising that well-managed projects operated by sound companies pose a lower risk to the government and taxpayers and should contribute less. New rehabilitation requirements will ensure, where possible, resource project operators manage and rehabilitate disturbed land as the life of the mine proceeds instead of leaving the clean-up until the mine closes. Operators will be required to plan for rehabilitation over the life of the mine and report on achieving milestones set out in their plan. By progressively rehabilitating disturbed land, resource project operators will be improving environmental and community outcomes while minimising their financial provisioning scheme costs.

Three more discussion papers will be released today as part of the development process for the new system, and these will be available on the Queensland Treasury website. More discussion papers will be released over the next year, with a new framework planned to be in place by mid-2018. The proposed new system will deliver the right balance between resource development and the protection of our environment and our communities.