




Speech By
Hon. Scott Stewart

MEMBER FOR TOWNSVILLE

Record of Proceedings, 13 October 2021

RESOURCES AND OTHER LEGISLATION AMENDMENT BILL

Second Reading

 **Hon. SJ STEWART** (Townsville—ALP) (Minister for Resources) (11.15 am), in reply: First of all, I thank all honourable members for their participation in this debate. The Resources and Other Legislation Amendment Bill 2021 will provide certainty to stakeholders by clarifying provisions in the Mineral Resources Act 1989 and the Petroleum Act 1923. In particular, this bill seeks to remove ambiguities about the validity of mining leases impacted by certain administrative issues relating to the issue of hard copy instruments of lease. I note that the affected mining leases were all granted before 2010. The amendment will provide certainty for holders of these mining leases that they can continue to operate with confidence.

The bill also clarifies the legislative framework for production lease renewals under the Petroleum Act 1923 and brings them into line with provisions for renewals of other equivalent resource authorities in the Mineral Resources Act 1989 and the Petroleum and Gas (Production and Safety) Act 2004. The bill will also amend the Petroleum Act 1923 to provide holders of authorities to prospect, which have associated production lease applications over them, with the confidence that their tenure will continue in force beyond 1 November 2021. It will also ensure that any outstanding decisions on the associated production lease applications can be made after 1 November 2021.

The bill also contains amendments to improve the operation of water legislation by standardising the water restrictions regulatory framework across South-East Queensland and amending reporting requirements in order to better protect all water service providers from potential cybersecurity attacks. As I noted in my second reading speech, these amendments will help to ensure our precious water resources are managed appropriately for the benefit of the entire community. The amendments also aim to protect all Queensland water service providers from possible malicious cybersecurity attacks by excluding the requirement for the publication of sensitive information and reporting metrics to be made publicly available.

I now turn to specific issues raised during the debate. I thank all members opposite for their contributions to the debate and support for the bill. As members are aware, my department has responded to the concerns raised by the Environmental Defenders Office and the Queensland Resources Council during the committee process regarding consultation on these amendments. My department and I are committed to consulting broadly on regulatory proposals that have a material impact on stakeholders, and such proposals would rightly be subject to broad consultation with enough time to allow stakeholders to consider any issues that may arise. However, as I outlined in my second reading speech, the matters presented in this bill do not represent a material change in policy or direction. They simply preserve and clarify existing rights.

Also, as I outlined in my second reading speech, the concerns with the wording of the amendments to the Petroleum Act 1923 are misplaced. The amendments simply empower the relevant minister to exercise the powers under section 40 as they currently exist. These provisions require the minister to grant a lease in the listed circumstances.

The member for Toowoomba North also noted that the Land Court is currently considering a matter that relates to the Petroleum Act 1923. The current matter before the Land Court of Queensland in which the applicants are, among broader claims about compensation, raising issues about what leaseholder rights exist where the underlying lease expires before a decision to renew is made. If the amendments to the Petroleum Act 1923 are passed by parliament today, the legal position about the rights that exist in this situation will be clarified. The proposed amendments do not change the department's historic interpretation of the Petroleum Act 1923. Importantly, the amendments will not negate the applicants' right to a fair hearing or their request to review their current compensation arrangement due to changes in circumstances and activities.

I thank the member for Gregory for raising the issue of transparency and the concerns of the Rolleston community about the Mahalo gas fields. I note that many of his remarks were outside the scope of the bill. The Department of Resources takes the issue of transparency very seriously.

I also note the member for Maiwar's concerns and his remarks about the views of stakeholders that believe this indicates a broad failure of transparency. I am pleased to confirm to members that the Department of Resources already maintains a publicly available register in the form of MyMinesOnline. The register contains a vast amount of information about applications and existing resource authorities and, as mentioned, the department would be happy to discuss the register and its content with any interested stakeholders.

I thank members for their comments about investment attraction and sovereign risk in Queensland. It is important to put these remarks into context. Exploration expenditure reached \$706 million in Queensland during the 12 months to June 2021, up by 10.3 per cent over the preceding 12 months and up by 60 per cent since June 2018. The increase was driven by growth in exploration for minerals and oil and gas, while coal exploration expenditure was down by almost 20 per cent over the year to June 2021. This increase occurred in exploration expenditure in Queensland over the same year it fell in the Northern Territory, South Australia, New South Wales and Victoria.

An opposition member: Time's up!

Mr STEWART: You're dreaming.

Mr DEPUTY SPEAKER (Mr Krause): Order, Minister! Please address your comments through the chair.

Mr STEWART: They are dreaming, Mr Deputy Speaker. This investment and the contribution of the sector are why it is so important that we provide certainty to the industry. In the 12 months to June, the resources sector added \$39.6 billion in gross value to Queensland and attracted \$8 billion in private capital expenditure. This demonstrates strong confidence in the future of Queensland's resources sector at a time when exploration expenditure is contracting in most other states and territories. The resources sector is the backbone of the Queensland economy. Queensland's resources sector generated \$44.6 billion in export revenue for the state during the 2020-21 financial year, accounting for 77 per cent of our merchandise exports over that period.

I thank the member for Maiwar for his contributions to the debate, and I would like to address a few of the points that the member raised. In relation to compliance with the authority to prospect work programs, as I have previously advised, all production lease applications and renewals are subject to a rigorous statutory assessment process to ensure the application complies with the relevant legislative framework. As these matters are currently under consideration, I will not discuss the particulars of the applications and their underlying tenures. However, it is important to note that, for applications for a production lease under the Petroleum Act 1923, compliance with a work program is not a relevant criteria for consideration.

I note the member for Maiwar also raised concerns about the open-ended period to decide the remaining production lease applications under the Petroleum Act 1923. This is necessary to avoid imposing arbitrary time frames for a decision to be made and to provide sufficient time for any necessary assessment and investigation to be completed prior to making a decision. This approach allows for flexibility and is consistent with the treatment of other petroleum tenures which remain in force until any associated application for renewal or higher tenure is decided. We will be methodical, we will be thorough and we will be deliberate in our decision-making processes. We will not be rushed to meet a time frame. We need to weigh up all the applications to make sure we make the right decision.

Finally, the member also raised some points about the Lake Eyre Basin, which is currently subject to an ongoing policy development process seeking to balance environmental protections and economic development activities. The process is currently being led by the Minister for the Environment and the Great Barrier Reef and Minister for Science and Youth Affairs and is beyond the scope of this bill. These amendments only address issues relating to ensuring existing tenures to ensure that they continue in force and relevant applications can be decided. I note that they do not confer any additional rights or obligations upon stakeholders.

We have heard attack after attack from those opposite on a former member who is not in this House. Maybe this is because they could not land any attack when he was here. It should be noted that the former minister for natural resources, Dr Anthony Lynham, achieved more for the safety and health of Queensland's resource workers than the entire opposition could ever claim.

As I highlighted in my second reading speech, when appropriate I will seek leave of the House to introduce amendments that are outside the long title of the bill. If leave is granted, I intend to move amendments in consideration in detail relating to statutory role requirements for coalmining operations. These amendments will amend the Coal Mining Safety and Health Act 1999 to extend the transitional arrangements for a further 12 months to 25 November 2022. This 12 months will enable further advice regarding concerns raised by industry. To this end, I have asked the independent Resources Safety and Health Commissioner to establish a tripartite working group, comprised of representatives from industry, workers' representatives and the regulator to provide advice on the implications of the implementation challenges and practical solutions to these. This work has already commenced.

To be clear, this amendment is not repealing the legislation, despite what the member for Burdekin wants. The intent of the provisions is to strengthen the safety culture in the resources industry. Our government believes in the intent of this legislation. Larger operations have already transitioned to these new arrangements. These amendments are the government's response to implementation challenges identified by medium and small operations under the current transitional time frame. The Palaszczuk government promised that we would listen, and that is exactly what we are doing.

Regarding the member for Burdekin's comments on North Goonyella, I would expect better from a former shadow mines minister given that he voted for the creation of the independent Resources Safety and Health Queensland. He also knows that any compliance or enforcement action is a matter for the independent Resources Safety and Health Queensland.

I would like to commend the work undertaken by the Department of Resources and the Department of Regional Development, Manufacturing and Water in bringing this bill to the House. I would also like to reiterate my thanks to the Transport and Resources Committee for their feedback and recommendation that the bill be passed. I commend the bill to the House.