



# Hon. Scott Stewart

## MEMBER FOR TOWNSVILLE

Record of Proceedings, 18 April 2024

# MINERAL AND ENERGY RESOURCES AND OTHER LEGISLATION AMENDMENT BILL

# Message from Governor

**Hon. SJ STEWART** (Townsville—ALP) (Minister for Resources and Critical Minerals) (3.05 pm): I present a message from Her Excellency the Governor.

**Mr DEPUTY SPEAKER** (Mr Krause): The message from Her Excellency recommends the Mineral and Energy Resources and Other Legislation Amendment Bill. The contents of the message will be incorporated in the *Record of Proceedings*. I table the message for the information of members.

MESSAGE

MINERAL AND ENERGY RESOURCES AND OTHER LEGISLATION AMENDMENT BILL 2024

Constitution of Queensland 2001, section 68

I, DR JEANNETTE ROSITA YOUNG AC PSM, Governor, recommend to the Legislative Assembly a Bill intituled—

A Bill for an Act to amend the Electricity Act 1994, the Fossicking Act 1994, the Gasfields Commission Act 2013, the Geothermal Energy Act 2010, the Greenhouse Gas Storage Act 2009, the Land Access Ombudsman Act 2017, the Mineral and Energy Resources (Common Provisions) Act 2014, the Mineral and Energy Resources (Financial Provisioning) Act 2018, the Mineral Resources Act 1989, the Petroleum Act 1923, the Petroleum and Gas (Production and Safety) Act 2004, the Regional Planning Interests Act 2014, the Water Act 2000 and the legislation mentioned in schedule 1 for particular purposes

#### **GOVERNOR**

Date: 18 April 2024

Tabled paper: Message, dated 18 April 2024, from Her Excellency the Governor recommending the Mineral and Energy Resources and Other Legislation Amendment Bill 2024 622.

#### Introduction

Hon. SJ STEWART (Townsville—ALP) (Minister for Resources and Critical Minerals) (3.06 pm): I present a bill for an act to amend the Electricity Act 1994, the Fossicking Act 1994, the Gasfields Commission Act 2013, the Geothermal Energy Act 2010, the Greenhouse Gas Storage Act 2009, the Land Access Ombudsman Act 2017, the Mineral and Energy Resources (Common Provisions) Act 2014, the Mineral and Energy Resources (Financial Provisioning) Act 2018, the Minerals Act 1989, the Petroleum Act 1923, the Petroleum and Gas (Production and Safety) Act 2004, the Regional Planning Interests Act 2014, the Water Act 2000, and the legislation mentioned in schedule 1 for particular purposes. I table the bill and explanatory notes and a statement of compatibility with human rights. I nominate the Clean Economy Jobs, Resources and Transport Committee to consider the bill.

Tabled paper: Mineral and Energy Resources and Other Legislation Amendment Bill 2024 623.

Tabled paper: Mineral and Energy Resources and Other Legislation Amendment Bill 2024, explanatory notes 624.

Tabled paper: Mineral and Energy Resources and Other Legislation Amendment Bill 2024, statement of compatibility with human rights 625.

For more than a century, Queensland's resources industry has underpinned the state's economic prosperity and development. In June 2022, I laid out a comprehensive plan for the expansion of the sector, the Queensland Resources Industry Development Plan. It outlines areas of focus that will support the resources sector to navigate key global trends. Today, I present a bill which takes steps towards realising actions under this important plan for Queensland.

The undertakings of this bill are threefold. Firstly, it aims to strengthen the state's coexistence institutions to support the resources industry and the renewable energy industry to build positive and mutually beneficial relationships with regional communities, landholders and the agricultural industry. Secondly, it will introduce a risk-based framework to assess and manage impacts of coal seam gas induced subsidence on high-value agricultural land. Finally, it will make amendments for regulatory efficiency to ensure the framework that enables the Queensland resources industry remains contemporary and fit for purpose.

The GasFields Commission Queensland has been instrumental in promoting coexistence between landholders, regional communities and the development of the onshore gas industry. The GasFields Commission currently has 14 legislative functions that focus on engagement, education and regulatory review and advice, all of which are related to the onshore gas industry. As the resources and energy industries transform, it becomes crucial to leverage the knowledge and experience of the GasFields Commission to support these industries and their host communities.

Expanding the function of the GasFields Commission is necessary to address emerging coexistence challenges and opportunities in these rapidly growing sectors. To that end, the GasFields Commission will be rebranded to Coexistence Queensland. Decarbonisation is a global priority. Renewable energy and critical minerals will be vital to the success of this global action.

Coexistence Queensland will play an important role in supporting this economic shift by keeping stakeholders—and most importantly landholders—informed of the opportunities and challenges relating to coexistence with the renewable energy sector. As part of its expanded operations, Coexistence Queensland will establish multiple community leaders' councils. These forums will provide a platform for high-level dialogue around coexistence and bring stakeholders together to discuss current and emerging coexistence issues and opportunities across the renewable energy and resources sectors.

The Miles Labor government's aim is to proactively address and futureproof issues that may arise in the broader resources and renewable energy sectors. To support the expanded remit into the renewable energy industry, the Miles government has committed additional funding over the next two financial years as part of the Department of Energy and Climate's Local Energy Partnerships initiative.

The bill also strengthens the role of the Land Access Ombudsman, or LAO. It aims to broaden the remit of the LAO to expand its dispute investigation and resolution functions. In doing this, we anticipate this will reduce some pressure on the Land Court of Queensland. The LAO's functions are limited to investigation and resolution of land access disputes about existing conduct and compensation agreements and make-good agreements. While a number of inquiries have been received by the LAO over the years, very few matters are within its jurisdiction. This has forced the LAO to refer the majority of these matters to other entities to resolve.

Our ambition with this bill is to foster a more efficient, more comprehensive platform for mediating a broader spectrum of land access agreements. The expanded responsibilities of the LAO will need increased funding which will be sensibly sourced through an industry levy. There will be oversight of the administration of this levy by myself as the relevant minister and an advisory council that will include representatives from the resources and agricultural sectors. This levy will be apportioned across relevant tenures, allowing annual calculations determined by the LAO. We believe the far-reaching social licence and coexistence outcomes made possible by this bill will ensure fairer practices and create a return that outweighs any additional costs to industry.

The bill also expands the functions of the independent Office of Groundwater Impact Assessment, known as OGIA. Its role will now encompass the comprehensive assessment of impacts of subsidence induced by coal seam gas production on agricultural land. The GasFields Commission's review of coal seam gas induced subsidence highlighted some gaps in existing regulatory frameworks. Consistent with the government's response to the GasFields Commission review, OGIA's role will now encompass the comprehensive assessment of the impacts of subsidence induced by coal seam gas production on agricultural land.

The bill will empower OGIA to conduct periodic scientific assessments, modelling and monitoring to identify farms that have been impacted by coal seam gas induced subsidence or may be impacted in the future. To finance this expanded role, we will extend the existing industry levy collected for the underground water management framework. I would like to emphasise the importance of the industry

levy in this context. It is not only essential to ensure industry's social licence is maintained but also critical in ensuring OGIA can conduct cumulative impact assessments from the coal seam gas industry right across the state.

Let me draw attention to an important reform in this bill: the introduction of a new risk-based management framework for coal seam gas induced subsidence. This framework is designed to establish a clear regulatory pathway to assess and manage impacts—and potential impacts—from coal seam gas induced subsidence occurring on Queensland's prime agricultural land. Following OGIA determining areas of subsidence, or areas at risk of subsidence within a declared subsidence management area, petroleum companies will have obligations to undertake further evaluation of subsidence impacts on agricultural land within the area in which they operate.

The level and nature of obligation will depend on the level of risk of impact from subsidence on the agricultural land. Land categorised as being at high risk of impacts from subsidence by OGIA in its report, and later evaluated to be more than a minor impact on agricultural land, will require relevant resource tenure holders to prepare a draft subsidence management plan. This draft subsidence management plan will be the starting point for negotiations with landholders to address impacts, or potential impacts from subsidence, positioning landholders and tenure holders at an equal and fair starting point. The development of a subsidence management plan will be firmly based on scientific evidence of each farm field by technical experts and outline the proposed remedial actions to be undertaken by the tenure holder and agreed to by the landholder.

The effective functioning of this framework will depend heavily on technical experts such as agronomist experts. These experts will play a key role in the framework by preparing farm field assessments and management plans and ensure they are based on sound technical advice and approved scientific methods.

The bill encompasses provisions that enable landholders to receive compensation for any costs, damages or losses because of impacts on their agricultural land from coal seam gas induced subsidence. This will be facilitated through legally binding subsidence compensation agreements with the resource tenure holder. Landholders and resource tenure holders will be provided access to alternative dispute resolution services to resolve any disputes in relation to subsidence management plans and subsidence compensation agreements. If required, the Land Court will be able to provide the final verdict.

Just as we promised in the government's response to the GasFields Commission's review of coal seam gas induced subsidence in May 2023, this framework will address cases where impacts to farms are found to be critical. The new framework will create a pathway for the minister to determine whether subsidence will have an unreasonable or intolerable impact on agricultural land use, farming practices or economic considerations at the farm scale. Based on such determinations, the minister will be able to give a direction to tenure holders to take steps to avoid, mitigate or manage these impacts and any possible future impacts. This framework demonstrates the Queensland government's commitment to sustainable coexistence between agricultural land use and the coal seam gas industry.

The bill also delivers on key focus area 6 of the Queensland Resources Industry Development Plan which commits to ensuring Queensland's regulatory framework for the resources sector remains contemporary and fit for purpose. Through amendments to several acts, the bill seeks to create a regulatory framework that can be easily understood by industry and the community alike.

A key amendment to the Fossicking Act sets out new requirements for fossickers to receive written permission from mining lease applicants before fossicking on land to which a mining lease application applies. For this reason, the bill aims to harmonise interests between commercial mining activities, landowners and fossickers to ensure fossicking can continue unimpeded as a recreational activity bringing benefits to local tourism in regional towns across Queensland.

Proposed amendments to major acts such as the Geothermal Energy Act, the Greenhouse Gas Storage Act, the Mineral Resources Act, the petroleum and gas act and the Petroleum Act intend to eliminate ambiguities in regulations. Clarification on reporting requirements, for example, will establish clear expectations on when to submit reports or release information to the public.

Another key amendment aims to improve the land release framework for exploration permits under the Mineral Resources Act. It will empower the Minister for Resources and Critical Minerals to decide how and when suitable land for exploration should re-enter the market. The bill also proposes rent management and collection procedures within the mineral and energy resources act. This will allow the minister to defer or set alternative rent in exceptional circumstances. Flexibility in these provisions will enable the state to respond swiftly in challenging times for the industry such as natural disasters and times of economic hardship.

The bill also adjusts requirements for aerial surveys. Under the new framework aerial surveys conducted at or over 1,000 feet will no longer be considered an advanced activity, and resource authority holders will be exempt from entry notices and periodic entry reports, as this activity has no impact on the underlying landholder. Finally, the bill aims to enhance industry compliance rules around reporting requirements supporting industry transparency and accountability.

The bill will also make changes to Queensland's financial provisioning scheme under the Mineral and Energy Resources (Financial Provisioning) Act. The purpose of the scheme is to manage the risk of the state incurring costs where resource authorities do not fulfil their rehabilitation obligations. While a recent review into the scheme confirmed it is operating in line with expectations, several potential refinements to the scheme were identified. This bill actions the recommendations of that review and will deliver on opportunities to refine its operation and reduce risk to the state.

The bill will reduce the compliance and administrative burden by increasing the prescribed rehabilitation cost for risk assessments from the current level of \$100,000 to \$10 million. To better reflect company risk profiles, the bill will also introduce an additional risk category and set appropriate percentage contributions. It will increase the fund threshold for better credit rated entities to \$600 million to increase the availability of financing. The bill will also make changes to the scheme to increase flexibility and clarify assessment pathways for environmental authorities. Finally, the bill ensures petroleum and gas sites are eligible for remediation grants.

The bill is compatible with the human rights protected under the Human Rights Act. I note concerns have been raised in the community around the coal seam gas induced subsidence framework engaging the right to freedom from forced work under section 18 of the Human Rights Act. The nature of this right provides that a person must not be made to perform forced or compulsory labour. I can assure you, Mr Speaker, that the bill does not impinge on landholders' human rights. The bill may require owners or occupiers of private land to work in the sense of preparing for and negotiating plans and agreements. There is no threat of a penalty under the bill if a landholder does not perform this work. In fact, penalties will be imposed on the resource tenure holder if they do not remunerate a landholder for their labour and time when these are part of the resource tenure holder's compensation liability. I commend the bill to the House.

# First Reading

**Hon. SJ STEWART** (Townsville—ALP) (Minister for Resources and Critical Minerals) (3.22 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

# Referral to Clean Energy Jobs, Resources and Transport Committee

**Mr DEPUTY SPEAKER** (Mr Krause): In accordance with standing order 131, the bill is now referred to the Clean Energy Jobs, Resources and Transport Committee.

## Portfolio Committee, Reporting Date

**Hon. SJ STEWART** (Townsville—ALP) (Minister for Resources and Critical Minerals) (3.22 pm), by leave, without notice: I move—

That under the provisions of standing order 136 the Clean Economy Jobs, Resources and Transport Committee report to the House on the Mineral and Energy Resources and Other Legislation Amendment Bill by Friday, 31 May 2024.

Question put—That the motion be agreed to.

Motion agreed to.