

Mineral and Energy Resources and Other Legislation Amendment Act 2020

Explanatory notes for SL 2020 No. 109

made under the

Mineral and Energy Resources and Other Legislation Amendment Act 2020

General Outline

Short title

Mineral and Energy Resources and Other Legislation Amendment Act 2020

Authorising law

Section 2 of the *Mineral and Energy Resources and Other Legislation Amendment Act 2020* (the MEROLA Act)

Policy objectives and the reasons for them

Section 2 of the MEROLA Act provides for certain provisions of the MEROLA Act to commence by proclamation.

The objectives of the Proclamation are to:

1. Fix 1 July 2020 as the commencement date for a set of resource safety and health provisions, and a provision related to potential commercial areas;
2. Fix 7 September 2020 as the commencement date for the financial assurance and regulatory efficiency provisions; and
3. Fix 1 January 2021 as the commencement date for the distributor-retailers infrastructure charges provisions.

Amendments commencing 1 July 2020

The principal policy objectives of the amendments to commence on 1 July 2020 are to:

- strengthen the safety laws for the resources sector through the introduction of industrial manslaughter offence provisions;

- increase the maximum penalty for reprisal offences to 1000 penalty units under the *Coal Mining Safety and Health Act 1999* and the *Mining and Quarrying Safety and Health Act 1999*;
- provide certainty for litigants by allowing costs orders for representation to be made for criminal proceedings before the Industrial Magistrates Court under the *Coal Mining Safety and Health Act 1999* and the *Mining and Quarrying Safety and Health Act 1999*;
- validate costs orders made by the Industrial Magistrates Court in relation to a proceeding for an offence against the *Coal Mining Safety and Health Act 1999* or the *Mining and Quarrying Safety and Health Act 1999*, or made before 5 December 2014 in relation to a proceeding for an offence against the *Petroleum and Gas (Production and Safety) Act 2004*;
- clarify that the CEO of Resources Safety and Health Queensland may delegate their powers under *Petroleum and Gas (Production and Safety) Act 2004*; and
- correct an error in section 107AD of the *Petroleum and Gas (Production and Safety) Act 2004*.

Amendments commencing 7 September 2020

The principal policy objectives of the amendments to commence on 7 September 2020 are to:

- increase scrutiny around the financial capability of a resource authority holder when there is a change in control of a resource authority;
- require significant mineral mining lease holders to have and comply with development plans;
- implement reforms to the abandoned mines and abandoned operating plant remediation frameworks;
- establish disqualification criteria against which applicants and transferees may be assessed prior to the resource authority's grant or transfer;
- create a process to allow the State to tender areas for a mining lease application; and
- implement a number of amendments aimed at improving the efficiency and effectiveness of resource assessment processes.

Amendments commencing 1 January 2021

The principal policy objective of the amendments to commence on 1 January 2021 is to provide greater transparency around infrastructure charges levied and collected by the SEQ water distributor-retailers (Urban Utilities and Unitywater).

Achievement of policy objectives

The policy is achieved by fixing 1 July 2020, 7 September 2020 and 1 January 2021 as the commencement dates for the uncommenced provisions in the MEROLA Act.

Consistency with policy objectives of authorising law

The Proclamation is consistent with the objectives of the MEROLA Act.

Inconsistency with policy objectives of other legislation

The Proclamation is not inconsistent with the objectives of any other legislation.

Benefits and costs of implementation

Amendments commencing 1 July 2020

The commencement of the resources safety and health provisions will strengthen safety laws in the Queensland resources sector through the introduction of industrial manslaughter offences and increase maximum penalties for reprisal offences. Certainty will also be provided for litigants in relation to costs orders for criminal proceedings under certain Resources Safety Acts. There are no immediate costs associated with commencement of the safety and health provisions.

The commencement of section 182 will ensure sufficient flexibility is provided with regard to deciding the declaration term for an amalgamated potential commercial area under the *Petroleum and Gas (Production and Safety) Act 2004*. There is no cost associated with the commencement of this amendment.

Amendments commencing 7 September 2020

These provisions will give effect to the Queensland Government's ongoing reforms to mine rehabilitation and financial assurance laws, and to the election commitment to improve the regulatory efficiency of the resource sector. There is no cost associated with commencement of these provisions; any administrative costs will be met within existing agency budgets.

Amendments commencing 1 January 2021

Implementation of the infrastructure charges transparency provisions will be undertaken by the distributor-retailers. Any implementation costs will be met by the distributor-retailers. The commencement of the provisions will enable the public to access information on how much money is collected and spent from infrastructure charges, by the distributor-retailers.

Consistency with fundamental legislative principles

The Proclamation is consistent with fundamental legislative principles.

Consultation

In accordance with the Queensland Government Guide to Better Regulation, the Office of Best Practice Regulation was not consulted in relation to the Proclamation. The department applied a self-assessable exclusion from undertaking further regulatory impact analysis (category g - Regulatory proposals that are of a machinery nature).

Extensive consultation was undertaken throughout the State Development, Natural Resources and Agricultural Industry Development Committee's inquiry into the Bill (Report No. 46, 56th Parliament).

Amendments commencing 1 July 2020

Since November 2018, there has been ongoing communication and stakeholder consultation about the industrial manslaughter provisions. Submissions from key stakeholders including industry bodies, unions and the Queensland Law Society informed the Government's approach to the provisions.

Amendments commencing 7 September 2020

Extensive consultation on the financial assurance and regulatory efficiency reforms took place during the development of the Mineral and Energy Resources and Other Legislation Amendment Bill 2020 and the State Development, Natural Resources and Agricultural Industry Development Committee inquiry.

Amendments commencing 1 January 2021

Regarding amendments to the infrastructure charges provisions under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*, there has been extensive consultation with the distributor-retailers on the commencement of 1 January 2021.