

To: Department of Resources

Re: Legislative Enhancements to Mining Claims

Date submitted: 15^h December 2023

Introduction

The Association of Mining and Exploration Companies (AMEC) appreciates the opportunity to make a submission on the Consultation Paper, *Legislative Enhancements to Mining Claims (2023)* (the Paper).

About AMEC

AMEC is a national peak industry body representing over 560 mineral exploration and mining companies across Australia, with almost 80 having operations based primarily in Queensland. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry.

Mineral exploration and mining make a critical contribution to Australia's economy, directly employing over 274,000 people. In 2020/21 the industry generated a record high \$301 billion in mining exports, invested \$3.2 billion in exploration expenditure to discover the mines of the future, and collectively paid over \$43.2 billion in royalties and taxes. Australian Bureau of Statistics (ABS) figures from the June 2023 quarter were record breaking, with Queensland exploration rising by 20 per cent quarter on quarter to \$147.8 million.

AMEC's Queensland members explore for, develop, and produce minerals including antimony, bauxite, coal, cobalt, copper, gold, graphite, lead, lithium, manganese, mineral sands (such as silica), molybdenum, nickel, phosphate, rare earths, silver, tungsten, vanadium, and zinc.

General comments

AMEC notes that the intent of the Paper, along with two other consultation papers that have been circulated, is to help deliver on Action 36 in the Queensland Resources Industry Development Plan (QRIDP), namely:

ACTION	LEAD AGENCY / TIMELINE	DESCRIPTION
36. Improve resource project assessment processes	Lead: Government (Department of Resources, Department of Environment and Science, and the Office of the Coordinator-General) When: 2022–24	A credible, transparent, and efficient assessment system, which is easily understood and respected by industry and the community, is an essential element of effective government. The Queensland Government will collaborate with stakeholders to implement business process reform and efficiency improvements to achieve: <ul style="list-style-type: none">» a transparent and engaged customer experience» improved clarity of material to drive application quality» technology and data platforms and requirements that achieve fit-for-purpose integrated automated systems to support and operationalise reforms.

As stated in our submissions in relation to the other consultation papers, AMEC does believe that the changes outlined in this Paper, even in combination with proposals outlined in the other two consultation papers, constitute delivery of Action 36 in the QRIDP. In many instances these are relatively minor amendments that would be included as “*other legislative amendments*” in a major reform bill.

AMEC had envisioned that more extensive engagement with industry stakeholders would have occurred prior to proposals being developed, and we are disappointed that this engagement has yet to occur. The Government needs to facilitate deeper thinking and analysis if it is to realise the QRIDP ambition of a “*credible, transparent, and efficient assessment system, which is easily understood and respected by industry and the community*”.

Response to the Consultation Paper

Proposed legislative changes: Fossicking

AMEC is not providing comments on changes proposed in relation to fossicking.

Proposed legislative changes: Modernising Chapter 3 of the Mineral Resources Act

AMEC respects the need to ensure legislation remains current, contemporary and fit for purpose; however, any changes must be consistent with the objective of the *Mineral Resources Act 1989* (MRA), which is to ‘*encourage and facilitate prospecting and exploring for, and mining of, minerals*’.

The proposed amendments in the Paper centre on administrative changes that enable Chapter 3 to be more easily navigated. They do not appear to introduce or remove elements that could undermine the purpose of the MRA or adversely impact its usability.

Changes to ensure the effective regulation of mining claims

Application requirements

In relation to proposed new application requirements, AMEC notes the following:

- The proposed application fee should be reasonable and consistent with the relatively simple nature of the application.
- The evidence required to support the proposed new financial and technical capability statement should be commensurate with the relatively low cost and ‘low-tech’ nature of typical mining claim activities.
- Any new or existing work program requirements should be consistent with the objective outlined in the MRA Work Program Guideline, namely that “[a] work program provides an understanding of the nature and extent of the proposed activities to be carried out or **outcomes to be pursued**” (emphasis added). While aspects of the Paper are consistent with facilitating outcomes-based work programs, for example, by proposing to clarify the different purposes of a tenure (e.g. tourism, cut and polishing etc), other aspects of the Paper focus heavily on activities as the basis of a work program. The drafting of the detail of the legislation needs to be consistent with the objective of facilitating outcomes-based work programs.

Changes to support genuine small-scale mining operations

In relation to proposed changes to support small-scale mining operations, AMEC notes the following:

- While the proposed change to maximum terms is designed to encourage a holder to remain active on a tenement, this change may not adequately account for the economic and commercial cycles that influence the mining sector. Many operators are working in marginal areas with very lean operations, and they carry out activities as and when they can. Introducing limiting five-year terms may encourage abandonment of a tenement as opposed to mining activity, as well as discourage diversity in mining claims.

Changes to address non-compliance

In relation to proposed changes to address non-compliance:

- The Paper proposes that a new offence be introduced for contravening a condition of a mining claim and a list of offences is provided. However, unless clarifying information is provided, a simple list of offences will not be sufficient to enable claimants to determine how to demonstrate compliance. For example, “*failure to keep records*” requires a definition of what constitutes “*records*”. As another example, “*failure to carry out restoration*”, needs to be clear as to the definition of restoration and whether this is detailed in the small scale mining code or the mining claim.

Proposals for further consideration

AMEC notes further consultation will be undertaken in relation to maximum penalty units and transitional arrangements.

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