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The Research Director
Agriculture, Resources and Environment Committee
Parliament House
George Street
BRISBANE QLD 4000

via email: AREC@parliament.qld.gov.au

Dear Sir/Madam,

Mineral and Energy Resources (Common Provisions) Bill 2014

Thank you for the opportunity to provide submissions on the abovementioned Bill (**the Bill**).

We are a legal firm that practices extensively in the field the subject of the Bill and have extensive first-hand experience in the day to day workings of land access. In this area of the law we act exclusively for landholders and, together with the firm Shannon Donaldson Province Lawyer (which we acquired), we have been involved in negotiating hundreds of land access arrangements over the course of the past six (6) years.

As an overall statement we would like to say that the amendments for discussion concern us greatly as they seek to very substantially alter long held principles and rights of landholders in Queensland with virtually no benefits flowing back to them from the proposal. The government has made and continues to make promises that the idea of the reforms is to harmonise the various pieces of legislation and that no landholders will be worse off unless they agreed to be. Unfortunately, the proposals do not live up to that promise but rather almost entirely make landholders worse off.

Departure from fundamental legislative principles

Pursuant to section 4(1) of the *Legislative Standards Act 1992* (Qld), “*fundamental legislative principles are the principles relating to legislation that underlie a parliamentary democracy based on the rule of law*”. We note that section 4(2) of that Act further provides that such principles include requiring that legislation has sufficient regard to the rights and liberties of individuals. We are of the view that many of the clauses contained in the Bill **do not** have sufficient regard to the rights and liberties of individuals.

We note that the former Scrutiny of Legislation Committee was of the view that the abrogation of rights and liberties from any source must be justified, whether the rights and

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liberties are under the common law, statute law or otherwise – we share this view. Unfortunately, the Bill has abrogated many of the rights of landholders which exist in both common law and statute – such as the right to object to a proposed mining lease, the right to withhold consent for restricted land within a mining lease, the right to peaceful use and enjoyment of the land etc. The justification, or lack thereof, provided within the explanatory notes does not adequately support the abrogation of the rights of landholders by the Bill – as we have raised throughout the submission that follows.

Further, in our view, many of the clauses of the Bill are inconsistent with the principles of natural justice. For example, a person who is impacted by the activities of a mining lease but does not fall within the definition of an “*affected person*” cannot object to the granting of that mining lease. This is a clear example of a lack of consideration of the view of a third party whose rights are affected by action taken under legislation. Further examples of the proposed Bill’s inconsistency with the principles of natural justice are noted throughout our submission.

We have also noted numerous examples of where the rights and liberties of individuals are disregarded throughout our submission. We urge the Committee to take note of these examples and act accordingly.

We believe it is incongruous to have a situation where most of the activity the subject of the Bill is likely to have far greater affects all round than activity caught by the provisions of the *Sustainable Planning Act 2009* and yet the rights of people to have a say in the land use be far more limited than people’s rights for activities falling under the *Sustainable Planning Act 2009*.

Placing the interests of industry before the rights of citizens

We refer to the first reading speech of the Honorable AP Cripps on 5 June 2014, wherein Mr Cripps stated that the goal of this Bill is to “*optimize development and use of Queensland’s mineral and energy resources and to manage overlapping coal and petroleum authorities for coal seam gas*”. After reviewing the Bill, we cannot help but come to the conclusion that achievement of this goal has come at the expense of not only Landholders, but **all** Queensland and Australian citizens.

Pursuant to clause 8 of the *Mineral Resources Act 1989* (Qld) (**MRA**), subject to a few narrow exceptions, minerals are taken to be the property of the Crown. However, they are not taken to be held in a private property capacity, rather, they are taken to be held by the Crown as a common resource. As such, the common resource should not be exploited without the interests of the “common” being considered. This Bill however does not comply with this logic and understanding, in fact, the clauses effectively place the rights of citizens behind the interests of industry.

The above is made even clearer in the Explanatory Notes of the Bill which state on page 2 that the reforms are “*industry developed*”. It is clear that these reforms are “industry developed” as the interests of industry are placed before the rights of citizens – i.e. limitations to the rights of objectors, degradation of restricted land provisions etc.

Given the above, we urge the committee to address the imbalance and not only acknowledge, but actively consider and apply the interests of the citizens for whom the common resource is held.

Legislation by Regulation

It is clear from many of the provisions contained in the Bill that numerous aspects of existing resource acts will be moved into regulations. As we have raised in previous submissions leading up to this Bill, we have grave concerns about that process because of the capacity of industry to lobby and influence government by sheer weight of resources and capacity to do so. It is imperative that adequate public debate accompany any intention to change such important matters and it is our strong preference to see the usual legislative process adopted, rather than the mere adoption of regulations.

In our view, using regulations can be a means of ignoring sound legislative drafting techniques and good government. The items proposed to be the subject of regulation should be the subject of the Act. All of the items proposed to be left for regulations throughout the Bill are extremely important and should be given full legislative backing and opportunity for the public to make submissions. In that regard, we refer to page 36 of the *Queensland Legislation Handbook – Governing Queensland* (The State of Queensland, Department of the Premier and Cabinet, Fifth Edition, 2014), where it states as follows:

The greater the level of potential interference with individuals’ rights and liberties, or the institution of Parliament, the greater will be the likelihood that the power should be prescribed in an Act of Parliament and not delegated below Parliament.

There are numerous crucial definitions and details which have the potential to interfere with individuals’ rights and liberties yet they have been left to be prescribed by regulation throughout the Bill. For example, land access by its very nature has the potential to interfere with individual rights and liberties yet a large amount of detail in the Land Access provisions will now be contained in the regulations. We urge the committee to take note of such examples raised below and act accordingly.

Submissions

Our specific submissions in relation to the clauses of the Bill are as follows:

Provision of Bill	Shine Submission
Clause 13	We note that the definition of “private land” provided in the Bill is not the same as that of the <i>Petroleum and Gas (Production and Safety) Act (P&G Act)</i> . In particular it removes the phrase “including Aboriginal land under the Aboriginal Land Act 1991 and Torres Strait Islander land under the Torres Strait Islander Land Act 1991” after “freehold land” at sub-section (1)(a). Even though this is out of our general experience we have concerns that Aboriginal and Torres Straight Islanders may be prejudiced by this amendment and they should be widely consulted on this amendment.
Clause 39	We note that sub-section (1) of this clause provides that an entry notice must be given to each owner and occupier of the land. However, sub-section (2)(c) is inconsistent with this approach as it provides that an entry notice will be invalid if, among other things, it is not given to an owner or occupier at least 10 business days before the entry. In order for the approach to be consistent, we submit that the Bill be amended to

	<p>draw sub-section (2)(c) in line with sub-section (1) – i.e. an entry notice will be invalid if it is not provided to each owner and occupier.</p> <p>We also submit that sub-section (3) be amended in line with the sub-section (1) for the sake of consistency.</p> <p>Further, we note that an entry notice will be invalid if it does not comply with the “<i>prescribed requirements</i>”. We reiterate our concerns raised above in relation to legislating by regulation.</p> <p>We also note that the obligation to provide the Chief Executive with a copy of the entry notice (as currently provided at section 495(3) of the P&G Act) has not been replicated in the Bill. In our view, an impartial third party who monitors and ensures that companies follow and abide by the policy and procedures provided for in the legislation is crucial. We therefore submit that a provision equivalent to section 495(3) of the P&G Act be included at clause 39.</p>
<p>Clause 40</p>	<p>We note the proposal at sub-section (1)(b) whereby a resource authority holder will not be obligated to provide an entry notice to enter land where an “<i>independent legal right to enter the land to carry out the activity</i>” exists. In our view, the broad definition of “<i>independent legal right</i>” has the potential for abuse and increases the likelihood of future litigation in situations where the resource authority holder has entered the land based on a conversation with a landholder which has been misinterpreted. This is an abrogation of landholder’s rights and a lowering of obligations on resource authority holders. We see no reason why the wording of the existing legislation cannot and should not be adopted or, in the very least, “<i>legal right</i>” be specifically defined such that it is not an abrogation of rights.</p> <p>We note that sub-section (1)(c) provides an exemption to the resource authority holder from giving an entry notice if the Land Court is considering an application under section 94. This proposal is in conflict with the current section 495(1)(b) of the P&G Act where the petroleum authority holder is obligated to give an entry notice at least ten (10) days before entry to the Land where the Land Court application exemption applies. Without the requirement to provide notice, the resource authority holder will effectively be able to enter the land as soon as the matter is referred to the Land Court without any requirement to provide notice of the anticipated entry. We therefore submit that the exemption be removed from the clause. This proposal would be an abrogation of landholder’s rights and a lowering of resource authority holder’s obligations. We think it only fair landholders be given notice.</p> <p>We also note the proposal at sub-section (1)(f) for regulations to prescribe entry that is of a particular “type” which will not require an entry notice. As the regulations are yet to be released it is difficult to comment on such a proposal. However, we do note that an equivalent provision is not currently contained in section 497 of the P&G Act. We are therefore very concerned as to what “type” of entry will be</p>

	<p>prescribed by the regulations as this approach is not contemplated under the existing regime.</p> <p>Further, sub-section (2)(a) of the Bill provides that the obligation to give an entry notice to enter and carry out an authorized activity on private land does not apply if the resource authority holder has a waiver of entry notice with each owner and occupier of the land. However, the note under sub-section (2)(a) provides that an owner or occupier of land may give a waiver of entry notice. In our view, the exemption provided under sub-section (2)(a) should only be available if a waiver of entry notice is given by each owner and occupier. Whilst this appears to be the intention behind the clause, it is confused by the note beneath it.</p>
<p>Clause 42</p>	<p>In our experience there are numerous situations where the owner and occupier of the land are different entities. In such situations it is completely possible for the owner to give a waiver of entry notice and the occupier to not, or vice versa. In order to be consistent with the approach contained in Chapter 3, Part 1, Division 2 of the Bill, we submit that entry to the land by the resource authority holder should only be made under this clause if both the owner and the occupier give the resource authority holder a waiver of entry notice. The proposed clause fails to provide this clarity and leaves it as a matter of subjective interpretation.</p> <p>We also note that a waiver of entry notice will be invalid if it does not comply with the “prescribed requirements”. We again reiterate our concerns raised above in relation to legislating by regulation.</p>
<p>Clause 43</p>	<p>With respect to the proposal at clause (2)(f) which allows a resource authority holder to enter land and carry out an advanced activity if “<i>the entry is of a type prescribed under a regulation</i>” we again repeat our concerns raised above in this regard and note that an equivalent provision is not currently contained in the P&G Act. The detail of what entry will fall within a particular “type” and thus not require notification or agreement/referral to the Land Court prior to entry, should be made available for public scrutiny before the passing of the Bill.</p>
<p>Clause 44</p>	<p>We note the proposal at sub-section (2) to leave the required content of a deferral agreement to the regulations. We again repeat our concerns raised above in relation to such a proposal.</p>
<p>Clause 45</p>	<p>As we have previously submitted, the Land Access Implementation Committee clearly intended that “opt-out” agreements would only apply in very limited circumstances. In our view, an “opt-out” agreement offers very little benefit to a Landholder and provides little protection once signed. We also note that the Deferral Agreement framework is already in place and we therefore question the inclusion of a further framework which provides yet another avenue for a resource authority holder to avoid entering into CCA’s with Landholders. Further, an “opt-out” agreement is unlikely to be any simpler than a CCA or Deferral Agreement could be.</p>

	<p>We have had numerous experiences where a Land Access Representative of the resource authority holder company will use tactics, tricks and pressure to get Landholder's to sign documents which are not in their best interests. The "opt-out" framework has the potential to increase such incidents and provides little rights of recourse to a Landholder who signs one. It would be naive to think that because landholders can say no that this is all the protection they need. We could apply the same reasoning to consumer protection yet it that arena it seems beyond doubt that in built protections are needed even though in such matters they would almost always be far less important than land access.</p> <p>The clause itself lacks clarity and protection in crucial areas. We therefore submit that the following would improve the framework:</p> <ol style="list-style-type: none"> 1. Extend the cooling-off period to 20 business days; 2. Obligate the resource authority holder to compensate the Landholder for the reasonable and necessary legal, accounting and valuation fees incurred by the Landholder in negotiating the opt-out agreement; 3. Specify that a Notice of Intention to Negotiate (NIN) must first be provided by the resource authority holder, following which the Landholder may elect to enter into an opt-out agreement; 4. Specify that the opt-out agreement will only apply to the activities provided for in the NIN and to the extent identified on the map; 5. Enable the Landholder to call upon the resource authority holder to enter into a CCA for the activities provided for in the opt-out agreement; 6. Enable the Landholder to unilaterally terminate the opt-out agreement where they have a reasonable excuse; 7. Insert a provision, rather than a note, that the resource authority holder still has a compensation liability under section 80. <p>Without knowing the specifics of what an "opt-out" agreement will contain it is difficult to provide further submissions on this issue, however, if it is to contain the compensation to be received it is crucial that an eligible claimant be afforded the opportunity to receive professional advice before entering into the agreement.</p>
<p>Clause 47</p>	<p>We note the proposal for Division 4 (Access to Private Land Outside Authorised Area) to apply to Exploration Permits under the MRA. We also note that access to private land outside the area of an Exploration Permit is not currently contemplated under the existing framework in Chapter 4 of the MRA. We therefore question the necessity for the</p>

	<p>extension of resource authority holder right's at the expense of Landholder's. This is an abrogation of landholder's rights.</p> <p>We note the proposal at clause 47(1)(a) to continue with the arrangement whereby a resource authority holder may exercise an access right over access land if they have the oral or written agreement of the relevant party. In our view, this should be limited to written agreement and not include oral agreements as the access agreement is likely to be long standing, contain provisions relating to the resource authority holder's compensation liability and will be binding upon future owners of the land. An oral agreement is simply not appropriate for this type of agreement. This should particularly be the case if the proposal extends to exploration permits when it did not previously.</p>
<p>Clause 50</p>	<p>Whilst we do not object to the principal of the clause itself, we are of the view that there is a severe absence of detail and clarity which requires attention (explained hereunder).</p> <p>With respect to sub-section (2), we submit that access agreements which vary the entry notice obligations prescribed under clause 39 should be in writing, especially if the agreement is proposed to bind successive owners of the land (as currently provided in clause 79). If the alternative obligations are not contained in a signed written agreement, the potential for future litigation based on "he said she said" arguments may substantially increase. Also, a future purchaser of the land will have no real knowledge of what the arrangement with the resource authority holder is, save for the representations made by the seller – which may in fact be incorrect.</p> <p>Further, we note the proposal at sub-section (3) for an access agreement to include a CCA for future access rights by the resource authority holder. In our view, the drafting does not clearly prescribe the process if an access agreement is to include a CCA. Will the process set out at Chapter 3, Part 7, Division 2 apply to such an agreement? Will the Landholder be afforded the opportunity to seek professional advice from a lawyer, accountant or valuer? Will the costs of that advice be compensated by the resource authority holder? Will the agreement be recorded on the title to the land? All of these questions remain unanswered or unclear in the cause.</p>
<p>Clause 54</p>	<p>We note the proposal to leave the period within which notice after entry to the land must be provided to each owner and occupier and the requirements of that notice to be prescribed by the regulations. We again reiterate our concerns with this approach detailed above.</p>
<p>Part 3 - Public Land</p>	<p>The definitions of "public land" and "public road" appear to, potentially, capture road reserves and areas noted on titles as being reserved for roads. Many landholders have, over the course of many years, come to occupy or use these areas which are often not fenced or already formed nor maintained by Council. Some such occupations may technically be unlawful but may be indulged by government over many years, giving rise to potential rights akin to adverse possession (or estoppel) in the</p>

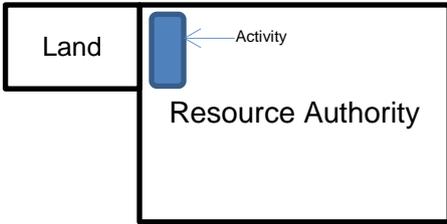
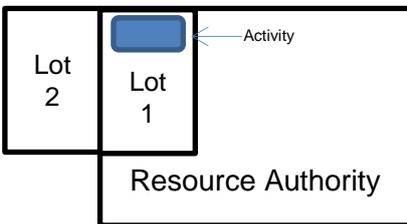
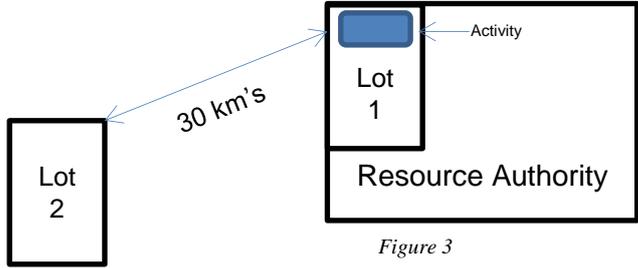
	<p>Landholder.</p> <p>The provisions of Part 3 of the Bill do not offer any protection to the aforementioned rights and nor do they adequately address the issues. We therefore urge re-consideration and re-drafting of the provisions accordingly. We submit the following amendments as a starting point:</p> <ol style="list-style-type: none"> 1. Clarification of whether the definition of “public road” includes road reserves and areas noted on titles as being reserved for roads; 2. If the definition of “public road” is to include a road reserve, then the following should apply: <ol style="list-style-type: none"> a) a landholder who occupies a road reserve should be provided a periodic entry notice under clause 57 and be afforded the opportunity to impose conditions for the entry period (as is available to the public road authority under clause 59); b) if the authorised activity falls within the definition of a “notifiable road use”, the resource authority holder must not use the public road for that activity unless: <ol style="list-style-type: none"> i. they have given the landholder who occupies the road reserve a notice complying with the prescribed requirements; and ii. the resource authority holder and the landholder who occupies the road reserve have signed a compensation agreement; or the occupier has given written consent to the activity; or an application to the Land Court has been made to determine the compensation liability. 3. If the definition of “public road” will not include a road reserve then the definition of “private land” should be amended accordingly.
<p>Clause 62</p>	<p>We note the proposal to leave regulations to prescribe what “use” will constitute a “notifiable road use”. Given that the entire interpretation of Chapter 3, Part 3, Division 2 of the Bill will turn on the definition of “notifiable road use”, our concerns raised above are exacerbated in this circumstance. We question how valuable and considered submissions can be made in relation to the approach set out under this Division if we do not know what activity the provisions will apply to. We again urge caution with this approach and request that the definition of “notifiable road use” to be inserted into the Bill.</p>
<p>Clause 65</p>	<p>The proposal to leave regulations to prescribe particular resource authorities and projects which will be exempt from Division 2 of the Bill is in conflict with the principals of natural justice. If a person may be</p>

	<p>affected by the exemptions provided for in the regulations, they should have a right to know and make submissions prior to it becoming enforceable. This clause leaves a person who may be potentially affected, effectively “blind” to the impact it may have on them. It is therefore crucial that the resource authorities and projects which will be exempt from the obligations contained under Division 2 be included in the Bill.</p>
<p>Part 4 – Restricted Land</p>	<p>We welcome the introduction of the principal of restricted land to the petroleum and gas industry. However, we are extremely concerned with several areas of the proposed framework and question how the proposal will actually benefit landholders affected by the petroleum and gas industry. We again refer to the government’s commitment to not prejudice or reduce the rights of landholders in the course of carrying out the reforms. However, the proposed amendments, when compared to the existing regime under the MRA, do not concur with this commitment.</p> <p>During the Honorable RC Katter’s second reading speech of the <i>Mineral Resources Bill</i> on 5 October 1989, he states as follows:</p> <p style="text-align: center;"><i>This Bill should not be seen as a panacea for all the problems that could confront a land-owner when exploration and mining takes place on his land. However, it does contain a number of new initiatives that should lay the foundation for a more balanced approach to any such issues in the future.</i></p> <p>The new initiatives referred to in this speech included the insertion of the restricted land provisions as they are currently found in the MRA. After reviewing and considering Part 4 of the new Bill, we cannot help but arrive at the conclusion that the amendments to the restricted land provisions only seek to reduce the “balanced approach” referred to in the speech and in reality will offer nothing to the vast majority of landholders affected by petroleum tenures and only reduce the rights of landholders affected by MRA tenures (and very substantially so).</p>
<p>Clause 67</p>	<p>We question why the activities provided for at clause 67(b)(i) and (b)(ii) are exempt from the definition of “prescribed activities” under the Bill. The consent of landholders should be required.</p> <p>The installation of an underground pipeline involves numerous pieces of machinery and can often result in high levels of dust, noise and other various types of disturbance and danger. We have also encountered many instances where an underground pipeline has resulted in subsidence on the land and there is no doubt a high degree of concern on the safety of pipelines. We do not know anyone who would feel comfortable sleeping on a gas pipeline all for the convenience of a resource tenure holder or at all.</p> <p>Maintenance of the pipeline may require a section of the pipe to be removed/lifted and replaced/re-welded. Such activity may, once again, require numerous pieces of machinery and varying levels of disturbance.</p>

	<p>It is therefore clear that the activity and likely impacts associated with the installation and maintenance of an underground pipeline are in conflict with the definition of “prescribed activity” at clause 67(a).</p> <p>Given the significant disturbance and impacts that can arise from activities mentioned in clause 67(b)(i) and (ii), the only appropriate solution is to remove them as an exemption to the definition of “prescribed activity” and actually include them in the definition to remove any doubt. If this is not acceptable, we suggest that there at least be thresholds put in place which the resource authority must meet in order to demonstrate that is necessary to undertake the exempt activity within the prescribed distance of the restricted area.</p> <p>Further, the explanatory notes state that the meaning of “pipeline” under clause 67 is to have its ordinary meaning and not include any ancillary surface infrastructure such as pumping stations, electricity, substations or vents. However, there is no definition or clause which provides this clarity. We therefore submit that a definition for “pipeline” be included in this clause to bring effect to the description provided for in the explanatory notes.</p> <p>With respect to clause 67 (a)(iv), we again refer to our concerns raised above in relation to legislating by regulation. The MRA does not currently provide exemptions to activities which take place in restricted land and we are therefore perplexed as to what activity could be prescribed under the regulation. It is crucial that these details be made available for public comment and scrutiny. We request action accordingly.</p> <p>We also note that the “prescribed distance” is to be provided for under the regulations. We again raise our concerns referred to above in relation to legislating by regulation. The “prescribed distance” is of crucial importance to the interpretation of the clause and valuable submissions on the adequacy of the framework cannot be made without knowing when the obligations will be triggered. We therefore, once again, urge for these details to be made publicly available prior to the passing of the Bill.</p>
<p>Clause 68</p>	<p>Firstly, we note that the areas which will attract the protection of the restricted land provisions are substantially less than those currently contained in the MRA. In particular, Category B Restricted Land Areas which include principal stockyards; bores or artesian wells; dams; or other artificial water storages connected to water supplies, appear to have been completely removed from the definition.</p> <p>Many of the areas which have been removed are essential to the operation of a farming business and to “do away” with them will place farmers and others at a significant disadvantage in what is already an imbalanced negotiation. It will no longer be a question of whether or not the landholder will be able to continue his operation or retain the piece of infrastructure, but rather, a question of compulsory acquisition and/or compensation.</p>

	<p>We therefore urge re-consideration of the drafting to incorporate the aforementioned areas as restricted land areas. To not do so would result in a huge abrogation of the rights of landholders and would adversely affect them in all negotiations with resource authority holders. With respect to clause 68(1)(ii)(C), we are concerned that the definition thresholds contained in the <i>Environmental Protection Regulation 2008 (the EPR)</i> are insufficient and do not meet the intent of the clause or offer adequate protections for landholders. For example, a piggery consisting of 380 standard pig units would not qualify as restricted land under the clause. We propose that restricted land be applied to animal husbandry operations that do not meet the intensive requirements of the EPR, as the activities of the resource authority holders will have the same impacts on mid-sized operations as they do on large scale operations.</p> <p>Further, the proposal for restricted land areas to only apply if they are used at the time the resource authority was originally granted is concerning as it places the rights of landholders behind the interests of those extracting the common resource. For example, if a landholder finishes building a residence two weeks after an Authority to Prospect is granted and some two (2) years later they are approached by the resource authority holder to undertake seismic activity on the Land, the resource authority holder may undertake that activity as close to the residence as they wish as it was not in use prior to the Authority to Prospect being granted. Such a proposal is unjust to Landholders and is a degradation of their rights. It should therefore be removed. Again this is a huge abrogation of the rights of landholders. No such requirement exists under the MRA with respect to exploration permits or mineral development licences with the reasoning that those type of tenures were only temporary in nature and were not designed to prevent the landholder from going about their ordinary business and enjoying their land. The tenement holder needed to fit around the landholder, not the other way around. This proposed amendment will leave many landholders in a state of uncertainty.</p> <p>We also note the proposal at sub-section (1)(b) for regulations to prescribe areas which will not be considered restricted land. We again refer to our comments above in relation to such a proposal. Whilst we note that the explanatory notes provide for a list of areas which <u>could</u> be prescribed, they provide little certainty. Further, if the matters provided for in the explanatory notes are the full extent of those areas to be prescribed by the regulation, we question how they cannot be considered restricted land areas as they are either occupied by someone or crucial to the operation of a business. We again repeat, the interests of a landholder should not be put behind the interests of industry.</p>
Clause 70	We welcome the inclusion of sub-section (3), however, the inclusion of a consequence for breaching the conditions of the consent would also be beneficial. Without a consequence there is little to compel the resource authority holder to comply with the conditions.

<p>Clause 71</p>	<p>We are deeply concerned with the proposal for restricted land to not apply to mining leases. Activity under a mining lease can be extremely intensive. The restricted land provisions currently contained in the MRA are the only protection that the Landholder has against the activities occurring in areas of high importance to their lifestyle and business operations – such as the homestead or watering points. By not requiring the resource authority holder to obtain the consent of the landholder to enter the restricted land under a mining lease, a landholder is now forced to agree and simply have the issue fall to compensation. This is, once again, a clear degradation of landholder rights and should be removed. The restricted land provisions currently contained in the MRA are modest and in the least should be retained and if anything expanded to a greater area.</p>
<p>Clause 80</p>	<p>We note that minor amendments have been made to this clause when compared to section 532 of the P&G Act – such as the inclusion of the phrase “<i>authorised area</i>”. Whilst these amendments may seem inconsequential, they may have severe consequences to the rights of Landholders who do not fall directly inside a resource authority.</p> <p>For example, in figure 1 below the landholder owns land outside of the resource authority but is affected by activities within the tenement by way of dust, noise, odour etc. Under the existing regime in the P & G Act an argument could be made that, provided it could be proven that a compensatable effect has been or will be suffered, the resource authority has a compensation liability to the landholder under section 532 of the P&G Act as they are in the “<i>area of</i>” the resource authority. However, by restricting the clause to apply to owners or occupiers who are only in the “<i>authorised area</i>” of the resource authority (i.e. <i>the area which the resource authority relates to</i>), such claims may be extinguished.</p> <p>Further, there are numerous situations where only part of the resource authority falls over a property – as per the example at figure 2 below where the resource authority lies over lot 1 but not lot 2 (both lots run as one property). Under the existing regime, provided it could be proven that the activity on lot 1 results in a compensatable effect over the entire property (i.e. lot 1 and 2), then a claim could be made for those effects. However, it is unclear from the proposed clause whether such claims would still exist where the land is not in the “<i>authorised area</i>” of the authority.</p> <p>The above example could also be extended to apply in situations where two properties (one inside the tenement and one, for example, 30 kilometres away) are run as an aggregate operation – see figure 3 below. It is again unclear if the proposed clause will prevent a claim being made for a compensatable effect suffered on the property which is not in the “<i>authorised area</i>” of the resource authority.</p> <p>We therefore submit that the clause be amended to extend the resource authority holder’s compensation liability to allow for situations where a landholder whose land is not located in the “<i>authorised area</i>” of the</p>

	<p>resource authority but which is affected by activity within the resource authority.</p>  <p style="text-align: center;"><i>Figure 1</i></p>  <p style="text-align: center;"><i>Figure 2</i></p>  <p style="text-align: center;"><i>Figure 3</i></p>
<p>Clause 81</p>	<p>We note the proposal to leave the regulations to prescribe the requirements of a Conduct and Compensation Agreement. We refer, once again, to our comments above in this regard.</p>
<p>Clause 82</p>	<p>We note the proposal to leave the regulations to prescribe the requirements of a Notice of Intention to Negotiate (NIN). We refer, once again, to our comments above in this regard.</p> <p>Further, we note that it is no longer a condition that the NIN be provided to the Chief Executive. We refer to our comments in relation to the removal of the same condition at clause 39 above. We repeat, for the sake of clarity, that, in our view, an impartial third party who monitors and ensures that companies follow and abide by the policy and procedures provided for in the legislation is crucial. Without a governing body who ensures compliance with the Act, the resource authority holder will be left to self-regulate their activities. We therefore request that the obligation to provide the chief executive with a copy of the NIN be reinserted into the clause to align with section 535 of the P&G Act.</p>

<p>Clause 83</p>	<p>We note that sub-section (3) provides that the negotiations under clause 83 will end if the parties enter into an opt-out agreement. However, we again note that the provision of a NIN is not, under the Bill, a condition precedent to the entering into of an opt-out agreement. In our view, a NIN must be provided where the resource authority holder has a compensation liability.</p>
<p>Clause 90</p>	<p>We welcome the recording of agreements. However, we note that there is a good body of legal opinion that thinks doing so is not without its difficulty. We urge the seeking out of that legal opinion and careful consideration of it. We also note that the proposed clause only applies to CCA's and opt-out agreements and does not apply to Deferral Agreements or Access Agreements. We will address each of these separately.</p> <p>Whilst we note that a Deferral Agreement is not currently or proposed to be statutorily binding on successors or assigns of the Land, they will most often contain a clause that if the land is to be transferred then the parties must enter into a tripartite deed between the resource authority, the landholder and the proposed transferee, agreeing to honour the obligations set out in the agreement. Further complications can arise where the activity has been agreed to in a deferral agreement but has not yet occurred on the land. In this situation a purchaser of the land may have no knowledge of the deferral agreement or the proposed activity, save for whatever details have been disclosed by the seller. It is therefore imperative that the deferral agreement and the details of that deferral agreement be recorded on the title to the land.</p> <p>Further, under clause 79 of the Bill an access agreement binds each of the party's personal representatives, successors in title and assigns. Given that these agreements are statutorily binding on future owners of the land it is crucial that they be treated similarly to CCAs. It does not make sense for a CCA and opt-out agreement to be recorded on the title, yet an access agreement to not be.</p> <p>We also note that the registrar must remove the particulars of the agreement from the register if, among other things, requested to do so in the appropriate form. We submit that there should be a requirement to provide notice to the other party to the agreement of the request to the registrar.</p>
<p>Clauses 91 – 92</p>	<p>We refer to our submissions above at Part 3 (Public Land) in this regard, particularly in relation to the compensation liability which should apply to landholders who occupy a road reserve upon which a notifiable road use is proposed.</p>
<p>Clause 93</p>	<p>We note that sub-section (1) applies to CCA's and Land Court determinations. This therefore leaves Deferral Agreements and opt-out agreements as being unaddressed by the legislation with respect to what happens when the land changes ownership or the resource authority holder changes.</p>

	<p>With respect to changes in the resource authority holder we submit that the agreements continue to be binding upon the transferee. With respect to changes in ownership of the land, we submit that the transferee be given the opportunity to either continue under the existing agreement or elect to enter into a CCA for the activity.</p>
Clause 94	<p>We welcome the inclusion of subsection (2)(c) and the associated subsection (4)(a) in expanding the matters for which a party may apply to the Land Court for determination and the matters which the Land Court may consider.</p>
Clause 96	<p>We welcome the inclusion of sub-section (2)(b) and (c) in expanding the orders that the Land Court may make.</p>
Clause 99	<p>We note that this clause only applies to situations where the compensation liability or future compensation liability has been agreed to under a CCA or a road compensation agreement. However, the clause fails to address situations where the compensation liability has been agreed to under an opt-out agreement. We therefore suggest insertion of an opt-out agreement to the definition of compensation agreement at the end of this clause. To not include opt-out agreements would mean that the Landholder would have no right to review should a material change arise.</p> <p>We also note that the drafting at sub-section 6(a) appears to be incorrectly worded. It states that the Court must consider "<i>all criteria prescribed by regulation applying for the compensation</i>". We suggest that, perhaps, this should read as "<i>applying for to the compensation</i>", however, as the regulations have not been released we are unsure what the criteria contained in the regulations refers to. Nonetheless, the wording of the phrase is confusing and requires clarification.</p>
Clause 217	<p>This clause effectively renders the restricted land provisions contained in Chapter 3, Part 4 of the Bill useless as a significant amount of tenure has already been granted or at least applied for, particularly so for tenure under the P&G Act.</p> <p>The restricted land framework was "touted" as being a great "benefit" to landholders who are affected by coal seam gas activity, however, the reality of the situation is that this clause effectively means that a majority of landholders affected by coal seam gas activity will not have the "benefit" of the restricted land framework. We therefore suggest that the clause be amended to apply to all resource authorities granted under the P&G Act, regardless of the date that they were granted.</p> <p>If anything is to occur with respect to the existing restricted land framework it should be expanded to cover landholders affected by all forms of resource tenures without it being watered down to such an extent that it is of no practical benefit to any landholders as is currently proposed.</p>

<p>Chapter 9, Part 3, Division 4 – Amendments relating to mining applications</p>	<p>We note the amendments to the <i>Environmental Protection Act 1994</i> (Qld) (EPA) which effectively mean that public notification will only be required for site-specific Environmental Authority applications/variations. Standard applications will therefore not require any form of public notification and thus, a submission cannot be made by a member of the public on such an application, regardless of the impact that it may have. Such a proposal is fundamentally unfair and unjust to members of Queensland and Australia, as we will explain further below. We have observed that it is claimed that where there is an environmental authority with standard conditions, those conditions have been developed through thorough consultation process. We do not believe this to be the case. To the best of our knowledge no such consultation has occurred at least not with affected landholders. In any event, individual concerns need to be considered.</p> <p>Firstly, as we have stated elsewhere in this submission, it must always be remembered that minerals are property of the Crown and as such, they are a resource owned held by the Crown being extracted by a private enterprise. The interests of the State and its citizens must always therefore be paramount. A right to make submissions and consequently object to the conditions of an Environmental Authority should not be removed and thus placed behind the interests of a private enterprise extracting a State held resource. To remove this right would have drastic consequences to those affected by, for example, a proposed mine but also, potentially, the environment at large.</p> <p>Further, in our view, it is a fundamental community right to know what mines are proposed in Queensland. Mines by their very nature frequently have significant impacts on communities and individuals whether that be from an environmental, social, community, economic or other perspective and any individual or member of the community should be able to know what mines are proposed and have a right to have a say about the conditions that govern them. The environment belongs to all of us and protection of it should be paramount. It makes no sense for it to be recognised that an individual or a community can have a say in whether or a not a chicken farm can be approved but have no say in whether or not a mine can be approved. From a natural justice perspective, a person who will be or is likely to be affected by a decision should have a right to object or make submissions on that decision prior to it being made. The removal of notification for applications which are not site-specific applications is a blatant denial of natural justice.</p> <p>Given the above, we submit that the amendments to the EPA be removed from the Bill.</p>
<p>Clauses 262 - 263</p>	<p>The combined effect of these clauses is that section 230 of the EPA will now apply to all resource activities, including a mining activity. However, we submit that there has been an error in failing to remove the reference to “<i>other than a mining activity</i>” in section 232(2) of the EPA. If this reference is not removed, major amendments to an Environmental Authority for mining activity will not have to abide by Part</p>

	<p>4 of the EPA even if a notice from the administering authority under section 229 and 230 requires them to.</p>
Clause 398	<p>We note that this clause inserts a new section 64A into the MRA which obligates an applicant for a mining claim to provide documents and information to each “<i>affected person</i>”. However, the definition of “<i>affected person</i>” does not include an occupier of the land the subject of the proposed mining claim or an occupier of land necessary for access to the mining claim. In our view, an occupier of the aforementioned land has just as much right to be aware of the proposed mining claim area as the owner of that land. We therefore submit that the occupier of those lands should be added to the definition of “<i>affected person</i>”.</p>
Clause 413	<p>The omission of section 238 of the MRA is a result of the inclusion of clause 71 under the Bill. We therefore refer to our earlier submissions in relation to that clause and again express our concerns in relation to restricted land areas not applying to areas of a mining lease and having the issue simply fall to compensation. This is a clear degradation of landholder’s rights and is therefore in clear conflict with the commitments made by government in relation to this Bill as well as fundamental legislative principles.</p>
Clause 418	<p>We note that the proposed section 252A appears to be the new version of section 252B under the MRA, however, there are crucial differences between the two sections which are objectionable.</p> <p>Notably, the obligation to publish the certificate of public notice in an approved newspaper which circulates in the area has been removed. We again stress that mines by their very nature have a fundamental impact on communities, yet, under this proposal, they will not be notified of the imminence of that impact and nor will they be able to raise an objection to it.</p> <p>It is crucial that public notification of a proposed mining lease occur during the application process and we therefore submit that the public notification requirements of section 252B remain as they currently are.</p>
Clause 420	<p>The amendments to section 260 of the MRA are among the most concerning amendments made by this Bill as there is no evidence to justify the amendments. We note that the main reason for the amendments was to remove the ability for vexatious objectors to lodge objections and delay an application, however, as we have previously submitted, this is based on no factual data. In fact, according to the discussion paper titled “<i>Mining Lease Notification and Objection Initiative Discussion Paper</i>”, only 13% of mining leases are objected to. In our view, the statistics and reality of the situation do not justify the amendments made to the MRA and the abrogation of the rights.</p> <p>Further, we again emphasise that, under the MRA, minerals are the property of the State and they therefore cannot be held privately by companies and the environment belongs to all of us. By removing public objection rights regarding the granting of tenure to extract a State held</p>

	<p>resource, the public will be denied an opportunity to participate in decisions which will influence “common resource”. All persons and groups should as they are currently entitled to, be afforded the opportunity to object to a proposed mining lease.</p> <p>Also, as raised above, where a decision will, or is likely to, effect a person, that person should have a right to object or make submissions on that decision prior to it being made. Under the proposed clause, a person who lives next door to a proposed open cut coal mine and is likely to suffer impacts such as dust, light and noise disturbance, will have no rights to object to the granting of the mining lease as they do not fall within the definition of an “<i>affected person</i>”. Again, this is simply unfair, unjust, abrogates the rights of landholders and is in conflict with the principles of natural justice.</p> <p>The Land Court has just deal with 2 very large coal mine applications and is about to deal with another. In each of those cases there were objectors which under the proposed amendments will no longer have an entitlement to object. We feel confident that no person acting without thought to personal gain would agree that any of the objectors in those matters should not have been able to object. The Land Court did not consider them to be vexatious litigants.</p> <p>We are aware that some want to remove as many obstacles to miners as possible but removing the right to object to so many people is fundamentally wrong from so many perspectives.</p> <p>Given the above, the proposed amendments to section 260 of the MRA should not be accepted, if they are, the rights of all Queenslanders will be substantially reduced without appropriate justification.</p>
<p>Clause 423 and 424</p>	<p>The proposed amendments to section 269 of the MRA significantly reduce the matters which the Land Court shall consider when making a recommendation to the Minister that an application for a mining lease be granted in whole or in part. However, in doing so, the amendments also limit the grounds upon which an affected person may object to the mining lease.</p> <p>We note the following as some of the fundamental matters which are proposed to be removed from section 269 of the MRA:</p> <p><i>(b) the area of land applied for is mineralised or the other purposes for which the lease is sought are appropriate;</i></p> <p><i>(e) the term sought is appropriate;</i></p> <p><i>(f) the applicant has the necessary financial and technical capabilities to carry on mining operations under the proposed mining lease;</i></p> <p><i>(g) the past performance of the applicant has been satisfactory;</i></p>

	<p><i>(j) there will be any adverse environmental impact caused by those operations and, if so, the extent thereof;</i></p> <p><i>(k) the public right and interest will be prejudiced;</i></p> <p><i>(l) any good reason has been shown for a refusal to grant the mining lease.</i></p> <p>The above matters are fundamental and essential grounds of objection. Without these the grounds upon which an affected person may object to are severely limited. We therefore submit that the current section 269 of the MRA should remain “as is”.</p> <p>We note that it is proposed to require the minister to consider some but not all of the above matters. However, it seems some essential things will no longer be considered at all including:</p> <ul style="list-style-type: none"> • If there will be any adverse environmental impact caused by the mine and if so the extent thereof; and • Any good reason has been shown for a refusal to grant the mining lease. <p>We understand that environmental impacts will be considered under the EPA provisions but that is with respect to the granting of an environmental authority not the mining lease.</p> <p>We do not think it is appropriate to delegate the abovementioned powers to the minister. To do so has the very real potential to allow industry to unduly influence outcomes and compromise ministers. It will in the least cause an appearance of lack of impartiality particularly when so many objection rights are being taken away.</p>
<p>Clause 429</p>	<p>We note that the proposed amendments to section 279 of the MRA relate to clause 71 and 413 of the Bill – i.e. granting a mining lease over restricted land areas. We therefore reiterate our earlier submissions in relation to those clauses with respect to these proposed amendments.</p> <p>We also note that it is apparently unjust and unfair to grant a mining lease over all restricted land without the consent of the landholder and to do so abrogates from a Landholder’s current statutory rights. The activities can have extensive impacts and should not simply fall to an issue of compensation alone. If the amendments are made a landholder will not only be left powerless during negotiations but will also be left with little amenity, privacy or rights to object. We therefore submit that the amendments be excluded from the Bill.</p>
<p>Clause 567</p>	<p>The purpose of clause 294B is apparently to provide support for the “<i>Protocol for managing uncontrolled gas emissions from legacy boreholes</i>” which was developed for addressing uncontrolled legacy borehole incidents in the wake of the ignition of a legacy borehole arising subsequent to a small bush fire at Kogan on 18 August 2012.</p>

The Protocol itself puts the Kogan incident into perspective by describing it as “unprecedented”. We are not aware of any similar uncontrolled incident either before or since.

As currently worded clause 294B has implications well beyond providing a means for addressing what risks may be posed by legacy boreholes (which on the evidence to date would appear to be remote). We address certain of these implications below.

294B(1): “remediate”

We take “remediate” to mean plug and abandon. We submit that it is necessary to be aware of the scale and scope of what is required to plug and abandon a bore or well in order appreciate the imposition involved. We have been advised by one Coal Seam Gas (CSG) company that the work involves, at a minimum, the following measures described in a general sense only:

1. An initial site visit to scout the bore and associated infrastructure and access routes;
2. A second site visit to deploy a crane to remove bore infrastructure such as windmills (if any);
3. A third site visit to deploy down-hole camera/sonic tools to inspect shaft casing;
4. Development of a decommissioning plan based on the information gathered;
5. A fourth site visit with a drilling rig (in most instances a specialised CSG drilling rig will be required – i.e. a very large and heavy industrial machine with associated plant and equipment including large diesel engines) to undertake the work of plugging and abandoning the bore which would usually take from two to seven days presence and activity on the land and may involve a 24 hour per day work schedule.

The work requires the placement of concrete plugs at multiple intervals in the shaft to isolate intersected formations and the placement of a concrete seal in the top of the shaft. Concrete may also be injected under pressure into the shaft until it extrudes back up the outside annulus.

If one thinks about what exactly the above measure will entail it would become clear that “remediation” involves a significant intrusion and potentially a substantial interference in the farming operations of the landholder which could involve, among other harms:

1. Very large numbers of people and vehicles coming and going from the property;
2. damage to farm infrastructure such as fences, access routes

	<p>and buried water pipes;</p> <ol style="list-style-type: none">3. substantial noise and dust;4. the risk of introduction of noxious weeds on prime grazing land from contaminated drilling vehicles (herbicides cannot readily be used on grazing land to control weeds because of the risk of creating residues in the stock);5. interference with farm operations such as mustering and stock feeding and watering (startled stock will not feed or water and therefore rapidly lose condition);6. damage to crops (eg some older bores are located inside of centre pivot irrigation land);7. deprivation of use of land during the plugging and abandoning work;8. the risk of causing bush fires;9. loss of use of the bore;10. diminution in value of land and diminution in the use that may be made of the land or improvements on it due to the removal of water supply source (it is not uncommon for bores not currently in use to be regarded as reserve bores which can be configured for use in times of drought). <p>We do accept that some legacy boreholes may present a health and safety risk but we submit that the discretion to authorise a third party to enter private land to “remediate” a bore or well on that land without the consent of the owner (i.e. destroy a substantial privately owned asset) represents a substantial intrusion upon/retrenchment of private property rights which should be countenanced only in circumstances where it is reasonably justifiable, where no other recourse is reasonably available and even then only if constrained with appropriate protections for the property rights of landholders including access to just compensation for damage or losses incurred.</p> <p>294B Subclause (a): “poses a risk to life or property”</p> <p>We submit that subclause (a), as currently worded, too lightly dispenses with/offers inadequate protection of private property rights to an unjustifiable degree.</p> <p>In light of the imposition on landholders and intrusion on private property rights which clause 294B could entail, as elaborated above, we strongly recommend that the test under subclause (a) be made more robust by expressly imposing a standard of reasonableness on the decision making of the Chief Executive and raising the threshold so as to only apply in circumstances of “<i>real and immediate risk</i>” to life or</p>
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property (Judicial opinion indicates that the test for “real and immediate risk” is a risk which exists, is identifiable, is more than remote or fanciful and which is present and continuing).

In light of the above we submit that subclause (a) should be reworded as follows:

“(a) a bore or well the chief executive believes, on reasonable grounds, poses a real and immediate risk to life or property;”

294B Subclause (b): “legacy borehole”

Firstly, we note that there is conflict between the Explanatory Notes and the actual practical effect of clause 294B. The Explanatory Notes state on page 12 that “*legacy boreholes are boreholes or wells drilled for the purpose of coal, mineral, petroleum or gas exploration or production but not by the current tenement holders or their related bodies corporate*”. However, clause 294B is not strictly limited to “*legacy boreholes*”, rather, it applies also to “*a bore or well*” - i.e. a water bore used by a Landholder to water a property. The clause provides for no rights to compensation or notification, yet it effectively enables a person to enter my land and plug a bore that is being used simply because it is emitting gas above the lower flammability limit – which is a comparatively low threshold. There are numerous bores within Queensland that emit varying levels of gas and are relied upon by landholders every day of the week. The proposal contemplated by the clause is therefore simply absurd and requires re-drafting to give effect to the intent of the proposal as explained at page 12 of the Explanatory Notes.

The DNRM has indicated that a significant number of landholders have applied to have former petroleum bores on their properties transferred to private ownership for conversion to water bores as a consequence of the drought earlier this year. We expect that applications in this regard may increase if predictions of an El Nino later this year prove correct.

We are aware of former petroleum bores that have been successfully converted for use as water bores and it is not uncommon for landholders to regard former petroleum bores as reserve water bores which they can look to configure in times of drought if need be.

If these bores do not present a real and immediate risk to life or property (and we expect that most do not) then we submit that, at a minimum, the relevant landholders should be invited and given a reasonable opportunity to take a transfer of any such bores for conversion to use as water bores.

We are aware that there are economic reasons why CSG companies may wish to see all legacy boreholes plugged (e.g. commercially valuable quantities of gas that would otherwise flow to CSG wells may escape through old boreholes). We expect that the legacy bores which would be prioritised for plugging would be those in proximity to CSG activities and consequently the landholders who would be impacted by

294B would be those located nearest CSG activities.

In these circumstances we submit that the most transparent and appropriate course to address legacy boreholes would be to require resources authority holders to reach a negotiated settlement with landholders to plug and abandon such bores and compensate for harms. We submit that this could be achieved by making clear in clause 294B that any remediation authorised under that clause is an 'advanced activity' for the purposes of the P&G Act. This would not impede any remediation required to address emergencies because of the effect of section 500A(f) of the Act and would enable landholders to be compensated for the harms which remediation may entail.

294 Subclause (c):

“bore or well on fire”:

We submit that a bore or well on fire would already be captured by subclause (a). For that reason we submit that the “fire” limb of subclause (c) would be redundant.

Further, we are aware of anecdotal accounts where landholders have become frustrated with lack of cooperation from resources authority holders and/or government in connection with increasing gassiness in water bores subsequent to nearby CSG developments and have sought to protest the extent of the problem by lighting their bores momentarily in a controlled manner so as to alert the media and highlight the extent of the increasing gassiness in water bores which a number of landholders near CSG developments are reporting.

We submit that the authority to order the plugging of such a bore could be subject to abuse by embarrassed regulators/resource authority holders as a means of silencing this type of protest and goes well beyond the scope of what is necessary to address the issues of uncontrolled legacy borehole incidents.

“emitting gas causing a gas concentration in the surrounding air greater than the lower flammability limit”:

The lower flammability limit for methane in air is 5% - a level which by and large, requires a specialised meter to detect. The DNRM has indicated that records of gas in water bores in certain parts of Western Queensland date back to 1916 (possibly earlier in other parts) at levels which must have been high enough to be obvious to the senses. It is possible to gain a sense of the widespread incidence of what must be “obvious” gas in water bores in western Queensland even from a relatively small sample of water bore drilling records (see Annexure 1 enclosed).

We are aware of numerous anecdotal narratives of landholders having to pump water from bores that are said to be highly gassy in circumstances where they would otherwise have inadequate access to

water for stock or domestic purposes.

For the reasons indicated above, it is possible that subclause (c), as currently worded, would capture a very large number (possibly even the majority) of existing water bores in western Queensland and if the discretion under subclause (c) were to be actioned even handedly across the board, a substantial number of landholders in western Queensland would potentially be deprived of access to the only source of ground water available in those areas.

In our view this limb would also be potentially subject to abuse by embarrassed regulators/resource authority holders wishing to efface from media focus the spectacle of surging gas and water from previously functional water bores in the vicinity of expanding CSG developments.

For the reasons above we submit that the first limb of subclause (c) is unnecessary and the second limb is too extensive in its capture to be workable if applied even handedly across the board and both limbs are potentially subject to abuse by embarrassed regulators/CSG tenement holders.

We submit that the thrust of subclause (c), which we take to be aimed at protecting life and property, would also be adequately addressed by subclause (a).

For the reasons above we submit that 294B subclause (c) should be deleted from the Bill.

Make good:

Under Chapter 3 of the Water Act 2000 (**the Water Act**), landholders whose bores are impacted by CSG activities have an entitlement to have the relevant CSG tenement holder provide a make good agreement providing for make good measures in respect of the impairment of the bore(s).

Unlike a CCA which allows a resource authority holder to conduct a potentially profitable gas extraction activity, there is no benefit or incentive for a resource authority holder to enter into a make good agreement or offer attractive make good terms in what is effectively a commercial negotiation (as provided for under Chapter 3 of the Water Act). In our view, the make good regime places the landholder at a disadvantage in such a negotiation in terms of, among other things, information asymmetry, economic might and bargaining position.

Among the few sources of leverage available to landholders to obtain fair compensation for their impaired bores in make good negotiations with resource authority holders is the ability to deny access to a resource authority holder wishing to plug a bore venting or having potential to vent a commercially valuable volume of gas or creating an embarrassment for the resources authority holder and/or regulator

because of the spectacle or potential spectacle for geyser-like surges of gas and water from previously functional water bores.

We are greatly concerned that clause 294B as currently drafted has the potential to be used as a means to deprive landholders of what is sometimes the only means of leverage to obtain a fair make good offer from resource authority holders for impaired water bores.

For that reason we submit that landholders should have a power to veto access for plugging bores or wells on their land that do not pose a real and immediate risk to life or property.

Just compensation for damage or losses incurred

Under clause 294E of the Bill, a person authorised under clause 294B to remediate a bore who enters the relevant land “*must not cause or contribute to unnecessary damage to any structure or works on the land*” and “*must take all reasonable steps to ensure the person causes as little inconvenience and does as little other damage as is practicable in the circumstances*”.

Further, a person authorised under clause 294B is added to the list of persons under section 856(1) of the P&G Act absolved from civil liability for “*acts done, or omissions made, honestly and without negligence under this Act*” (the list currently refers to persons tasked with directions under or required to administer the Act).

Necessary damage to structures or works and a degree of interference and collateral damage appear to be permitted and clause 294 is silent as to compensation for these. We submit that the scope of the types of harms that would be permitted under 294E is not adequately constrained by the existing wording.

We expect that in most, if not all cases, the persons who will ultimately be authorised under the Act to ‘remediate’ will be the relevant CSG tenement holders or their associates. We expect that the CSG tenement holders (and ultimately their largely overseas based shareholders) will also be the group that would benefit most from the plugging of increasingly gassy bores.

The group that would have to bear all the cost and risk of damage and loss which ‘remediation’ may entail would likely be those Queensland farming families with properties nearest to CSG activities who are already under significant impositions as a result of that industry.

In light of these circumstances we submit that it would be unjust to absolve the resources authority holders from having to provide just and full compensation in respect of the harms they may cause if they seek to ‘remediate’ bores or wells on private land.

We submit that clause 294 should make provision for affected landholders to be entitled to just and full compensation for all such

	damages and losses (including any legal, accounting, valuation and other reasonably necessary expert costs) and that the appropriate mechanism for addressing compensation would be to require resource authority holders to reach a negotiated settlement with landholders to plug and abandon such bores and compensate for harms.
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We would be pleased if you would consider our comments in progressing your modernisation program and would welcome the opportunity to meet with Committee to discuss our concerns.

Sincerely



Shine Lawyers

Annexure 1

RN 22020 (originally known as Brown's Scout Bores numbers 1 and 2) was drilled in 1929. Number 1 struck a small quantity of gas at a depth of 52.4m (247.6m AHD), and number 2 struck a better gas show at a similar depth.

RN 8642 was drilled in 1938. Gas was evident in the bore by 1966, but it is not known how early gas was blowing from the bore. This bore is 145m deep (base at 145m AHD)

RN 10790 was drilled in 1946. In a letter to the department, the licensee noted that the bore started blowing gas in 1960. This bore is 165m deep (base at 156m AHD)

RN 24465 was also drilled in 1946. Gas was evident in the bore by 1966, but only in very humid weather. This bore is 213m deep (base at 87m AHD)

RN 13600 was drilled in 1958. Gas was evident in the bore at the time of drilling. This bore is 145m deep (base at 154m AHD)

RN 14042 was drilled in 1958. Gas was evident in the bore at the time of drilling. This bore is 182m deep (base at 118m AHD)

RN 48528 was drilled in 1966. On a renewal dated 1996, the licensee noted that the renewal was not required as the bore produced too much gas. This bore is 152m deep (base at 148m AHD)

RN 24485 was drilled in 1966. Gas was evident in the bore later that same year, but it is not known if it was evident at the time of drilling. This bore is 172m deep (base at 149m AHD)

RN 33553 was drilled in 1969. Gas was evident in the bore at the time of drilling. This bore is 111m deep (base at 208m AHD)

RN 38191 was drilled in 1971. Gas was evident in the bore at the time of drilling. This bore is 151m deep (base at 149m AHD)

RN 119484 was drilled in 2007. Gas was evident in the bore at the time of drilling. This bore is 186m deep (base at 114m AHD)

RN 147158 was drilled in 2008. Gas was evident in the bore at the time of drilling. This bore is 166m deep (base at 153m AHD)