

THE PARLIAMENT OF THE COMMONWEALTH  
OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

PETROLEUM (SUBMERGED LANDS) LEGISLATION AMENDMENT BILL 1994

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister  
for Resources, The Hon David Beddall, MP)

## GENERAL OUTLINE

1. The Petroleum (Submerged Lands) Legislation Amendment Bill 1994 amends the Petroleum (Submerged Lands) Act 1967 (the Act);
  - . to remove two inconsistencies in the Act resulting from previous amendments (clauses 4 and 5)
  - . to allow cancellation of exploration permits or retention leases if user charges are not paid within 3 months of the date due (clause 6)
  - . to remove a specific need for consultation where prior agreement has been reached (clause 7)
  - . to ensure that persons or bodies requesting approval of plans or proposals under the Act, the regulations or a direction under the Act are liable for any deficiencies in those plans or approvals rather than the Joint Authority, the Designated Authority, their delegates, an inspector or persons acting on their behalf, provided the approval was given in good faith (clause 8)
  - . to allow user charge funds paid into the Consolidated Revenue Fund under the Petroleum (Submerged Lands) (User Charge) Act 1994 to be appropriated for use by the Australian Geological Survey Organisation (AGSO) for carrying out geoscience research and survey activities (clause 9)
  - . to allow the Commonwealth to recover user charge debts (clause 9).
2. The Bill also amends the Offshore Minerals Act 1994 to allow user charge funds paid into the Consolidated Revenue Fund under the Offshore Minerals (Exploration Licence User Charge) Act 1994 and the Offshore Minerals (Retention Licence User Charge) Act 1994 to be appropriated for use by the Australian Geological Survey Organisation (AGSO) for carrying out geoscience research and survey activities (clause 11).
3. The Bill repeals the Petroleum (Submerged Lands) (Exploration Permit Fees) Act 1967, the Petroleum (Submerged Lands) (Production Licence Fees) Act 1967, the Petroleum (Submerged Lands) (Pipeline Licence Fees) Act 1967, and the Petroleum (Submerged Lands) (Retention Lease Fees) Act 1985. The Petroleum (Submerged Lands) Fees Act 1994 consolidates the provisions contained in these Acts (clause 12).

FINANCIAL IMPACT STATEMENT

4. The amendments will allow funds equivalent to those paid into the Consolidated Revenue Fund under the Petroleum (Submerged Lands) (User Charge) Act 1994 to be appropriated for use by AGSO for carrying out geoscience research and survey activities. The amendments will have no staffing implications for the Department of Primary Industries and Energy.

NOTES ON THE CLAUSES OF THE BILL

PART 1 - PRELIMINARY

Clause 1

Short title

5. This clause provides for the short title of the legislation.

Clause 2

Commencement

6. The provisions of this Act will come into operation on the day it receives Royal Assent except for clauses 6 and 9, and Parts 3 and 4 which will come into operation on 1 July 1994.

PART 2 - AMENDMENTS OF THE PETROLEUM (SUBMERGED LANDS) ACT 1967

Clause 3

Principal Act

7. This clause defines the "Principal Act" as the Petroleum (Submerged Lands) Act 1967 for the purposes of Part 2 of this Bill.

Clause 4

Adjacent Areas

8. This clause amends s5A of the Petroleum (Submerged Lands) Act 1967 to remove an ambiguity to ensure ss5A(2) is consistent with ss5A(1A) and ensures that the breadth of the territorial sea for the purposes of the Principal Act remains at three nautical miles.

Clause 5Delegation

9. This clause amends s8H of the Petroleum (Submerged Lands) Act 1967 to clarify that delegation of Joint Authority powers is to persons holding, occupying or performing specified positions rather than persons specifically named in a delegation instrument under s8H.

Clause 6Cancellation of permits etc.

10. This clause amends s105 of the Petroleum (Submerged Lands) Act 1967 to allow cancellation of an exploration permits or retention lease for non payment of a user charge levied under the Petroleum (Submerged Lands) (User Charge) Act 1994. The existing s105 allows for cancellation for non payment of fees payable under the Petroleum (Submerged Lands) Act 1967 or other Acts incorporated with this Act (eg administrative fees or Royalty).

Clause 7Access authorities

11. This clause amends s112 of the Petroleum (Submerged Lands) Act 1967 to enable the Designated Authority to grant an access authority over an area subject to a permit, lease, licence or special prospecting authority (relevant title) without first serving notice on the registered holder of the relevant title, provided the holders of any relevant title had given prior written consent to the proposed access authority.

Clause 8Liability for approvals given under this Act etc.

12. Subclauses (1) and (2) amend the Petroleum (Submerged Lands) Act 1967 by inserting a new section 140AA to ensure that persons or bodies requesting approval of plans or proposals under the Petroleum (Submerged Lands) Act 1967, the regulations or a direction under the Petroleum (Submerged Lands) Act 1967 are liable for any deficiencies in those plans or approvals rather than the Joint Authority, the Designated Authority, their delegates, an inspector or persons acting on their behalf, provided the approval was given in good faith.

13. Subclause (3) ensures that protection from liability does not extend to persons or bodies who have obtained approval of a proposal or plan, required under the Petroleum (Submerged Lands) Act 1967, the regulations or a direction under the Petroleum (Submerged Lands) Act 1967, when that approval was made by the Joint Authority, the Designated Authority, their delegates, an inspector or persons acting on their behalf.

*An example of such a plan or approval would be a proposal by an operator in relation to safety management plans for an offshore production facility (Safety Case) required under the Schedule of Specific Requirements as to Offshore Petroleum Exploration and Production issued pursuant to the Petroleum (Submerged Lands) Act 1967.*

#### Clause 9

#### Appropriation of user charge for the purposes of offshore geoscience research and survey activities

14. This clause amends the Petroleum (Submerged Lands) Act 1967 by inserting a new section 155A to allow amounts equal to user charges paid into the Consolidated Revenue Fund, and levied by the Petroleum (Submerged Lands) (User Charge) Act 1994, to be appropriated from that Fund to enable the Australian Geological Survey Organisation (AGSO) to undertake offshore geoscience research and survey activities.
15. This clause also amends the Petroleum (Submerged Lands) Act 1967 by inserting a new section 155B to allow the Commonwealth to recover user charge debts levied by the Petroleum (Submerged Lands) (User Charge) Act 1994 in the Courts.
16. This clause defines "user charge" for the purposes of s155A to have the same meaning as in the Petroleum (Submerged Lands) (User Charge) Act 1994.

#### PART 3 - AMENDMENTS OF THE OFFSHORE MINERALS ACT 1994

#### Clause 10

#### Principal Act

17. This clause defines the "Principal Act" as the Offshore Minerals Act 1994 for the purposes of Part 3 of this Bill.

Clause 11Appropriation of user charge for the purposes of offshore geoscience research and survey activities

18. This clause amends the Offshore Minerals Act 1994 by inserting a new section 427A to allow amounts equal to user charges paid into the Consolidated Revenue Fund, and levied by the Offshore Minerals (Exploration Licence User Charge) Act 1994 and the Offshore Minerals (Retention Licence User Charge) Act 1994, to be appropriated from that Fund to enable AGSO to undertake offshore geoscience research and survey activities.

PART 4 - REPEAL OF ACTSClause 12Repeals

19. This clause repeals the Petroleum (Submerged Lands) (Exploration Permit Fees) Act 1967, the Petroleum (Submerged Lands) (Production Licence Fees) Act 1967, the Petroleum (Submerged Lands) (Pipeline Licence Fees) Act 1967, and the Petroleum (Submerged Lands) (Retention Lease Fees) Act 1985. The Petroleum (Submerged Lands) Fees Act 1994 consolidates the provisions contained in these Acts.

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