

Mineral and Energy Resources and Other Legislation Amendment Regulation 2025

Explanatory notes for SL 2025 No. 48

made under the

Geothermal Energy Act 2010

Greenhouse Gas Storage Act 2009

Land Court Act 2000

Mineral and Energy Resources (Common Provisions) Act 2014

Mineral Resources Act 1989

Petroleum Act 1923

Petroleum and Gas (Production and Safety) Act 2004

State Penalties Enforcement Act 1999

General Outline

Short title

Mineral and Energy Resources and Other Legislation Amendment Regulation 2025.

Authorising law

- Sections 130, 196 and 385 of the *Geothermal Energy Act 2010*
- Sections 257, 261, 271 and 429 of the *Greenhouse Gas Storage Act 2009*
- Sections 21 and 78 of the *Land Court Act 2000*
- Sections 17, 25 26, 91A, 196I, 204B and 210 of the *Mineral and Energy Resources (Common Provisions) Act 2014*
- Sections 315 and 417 of the *Mineral Resources Act 1989*
- Sections 76D, 102 and 149 of the *Petroleum Act 1923*
- Sections 550, 588 and 859 of the *Petroleum and Gas (Production and Safety) Act 2004*
- Section 165 of the *State Penalties Enforcement Act 1999*

Policy objectives and the reasons for them

The policy objectives of the *Mineral and Energy Resources and Other Legislation Amendment Regulation 2025* (the Amendment Regulation) are to:

- make consequential amendments to various resource regulations to support the commencement of the *Mineral and Energy Resources and Other Legislation Amendment Act 2024* (MEROLA Act);

- establish a rent deferral framework in the *Mineral and Energy Resources (Common Provisions) Regulation 2016*; and
- make other minor amendments and corrections to address erroneous or missing words in resource regulations.

The rent deferral framework is intended to support resource authority holders when their operations are impacted by circumstances beyond their control. The framework will allow the Minister to declare a hardship area when the holders of resource authorities are suffering hardship because of exceptional circumstances affecting the authority. The hardship area may capture all resource authorities of a certain type (for example, all mining leases) or only specific resource authorities that are affected. The rent deferral framework is intended to provide short-term relief to resource authority holders and will not waive the requirement to pay rent for the affected resource authority.

Achievement of policy objectives

The Amendment Regulation achieves its policy objectives by updating section references in the *Geothermal Energy Regulation 2022*, the *Greenhouse Gas Storage Regulation 2021*, the *Land Court Rules 2022*, the *Mineral and Energy Resources (Common Provisions) Regulation 2016*, the *Mineral Resources Regulation 2013* and the *Petroleum and Gas (General Provisions) Regulation 2017* to support the commencement of the MEROLA Act. Rather than updating a section reference relating to a fossicking offence in the *State Penalties Enforcement Regulation 2014*, the reference will be removed, which means a penalty infringement notice will no longer be able to be issued for this offence. The offence, however, remains in the *Fossicking Act 1994* and other compliance tools are available to respond to alleged non-compliance.

The policy objectives are also achieved by inserting new Part 1 into Chapter 6 of the *Mineral and Energy Resources (Common Provisions) Regulation 2016* to establish a rent deferral framework. The framework allows the Minister to declare an area for which the payment of rent for resource authorities is deferred for a prescribed period. The Minister can make this declaration if they are satisfied a holder(s) of a resource authority is suffering hardship because of exceptional circumstances affecting the authority. Exceptional circumstances are circumstances that result in significant adverse economic impacts and are outside the holder's control. The intention is to include events that cause a serious disruption to operations carried out on the authority, such as natural disasters or pandemics.

Under the framework, the Minister may defer all or part of the rent payable for up to one year at a time. The Minister may require the deferred rent to be paid in one lump sum payment or in instalments. The payment of rent must be made within five years of the rent deferral period. If the affected resource authorities are continuing to suffer hardship, the Minister may fix a new payment day and/or extend the deferral period for up to another year. A decision to amend the deferral declaration will be made at least 20 business days before the end of the period that has already been deferred.

The framework also outlines when a rent deferral arrangement will end, for example, when an application to transfer a resource authority is made. Existing provisions in the relevant resources legislation that apply to the nonpayment of rent, interest and recovery of unpaid amounts, apply to any late or unpaid deferred rent.

The Amendment Regulation also achieves its policy objectives by:

- replacing a dollar sign with a reference to ‘fee unit’ in the *Geothermal Energy Regulation 2022* to ensure annual rent is indexed annually in line with the whole of government policy for fees and charges and to align with how annual rents are charged under other resources regulations;
- replacing references to ‘fee unit’ with dollar signs in the *Greenhouse Gas Storage Regulation 2021* to ensure prescribed security amounts align with how security is calculated under other resources regulations; and
- making other minor corrections to the *Greenhouse Gas Storage Regulation 2021*, the *Mineral and Energy Resources (Common Provisions) Regulation 2016*, the *Mineral Resources Regulation 2013* and the *Petroleum and Gas (General Provisions) Regulation 2017*.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the policy objectives of the relevant authorising laws. The rent deferral framework is consistent with the purposes of the *Mineral and Energy Resources (Common Provisions) Act 2014*, which provides for common processes that apply to resource authorities and to assist in achieving the purposes of the *Geothermal Energy Act 2010*, the *Greenhouse Gas Storage Act 2009*, the *Mineral Resources Act 1989*, the *Petroleum and Gas (Production and Safety) Act 2004* and the *Petroleum Act 1923*, which encourage and facilitate the mining or production of minerals, coal, oil shale and coal seam gas.

Inconsistency with policy objectives of other legislation

No inconsistencies with the policy objectives of other legislation have been identified.

Alternative ways of achieving policy objectives

The Amendment Regulation is the only way to achieve the policy objectives.

Benefits and costs of implementation

The benefits of the Amendment Regulation are that it provides a rent deferral framework to support the resource industry in times of hardship, makes other minor amendments to support the commencement of the MEROLA Act, and corrects other known errors.

There are no additional costs associated with the implementation of the Amendment Regulation.

Consistency with fundamental legislative principles

The Amendment Regulation has been drafted with regard to fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992* and is consistent with these principles.

Consultation

Consultation on the proposals included in the Amendment Regulation commenced in February 2025. Stakeholders from the resource sector, the agricultural sector and environmental groups were targeted for feedback and briefing sessions were held with key stakeholders. Draft legislation on the proposed amendments, including the rent deferral framework, was publicly released for feedback in March 2025. Two submissions were received and both provided support for the proposed amendments with minor points of feedback in relation to the rent deferral framework, including whether the rent referral declaration could be for a longer period. Due to the nature of exceptional circumstances (e.g., natural disaster or pandemic), and the ability of the Minister to amend a deferral declaration, it was not considered necessary to make the deferral declaration for a longer period.

No regulatory impact analysis is required for the rent deferral framework and removal of the fossicking offence from *the State Penalties Enforcement Regulation 2014* on the basis that there is no increase in costs or expected adverse impacts to industry or the community as a result of these proposals. All other proposals were considered to be of a machinery nature, not requiring further impact analysis. In accordance with the Queensland Government Better Regulation Policy, the Office of Best Practice Regulation was notified of the Amendment Regulation.