

1990-91

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

Presented and read a first time, 8 May 1991

(Minister for Resources)

A BILL

FOR

An Act to amend the *Petroleum (Submerged Lands) Act 1967*

The Parliament of Australia enacts:

Short title etc.

1. (1) This Act may be cited as the *Petroleum (Submerged Lands) Amendment Act 1991*.

5 (2) In this Act, “Principal Act” means the *Petroleum (Submerged Lands) Act 1967*¹.

Commencement

2. This Act commences on the day on which it receives the Royal Assent.

10 3. After section 8G of the Principal Act the following section is inserted:

Delegation

“8H. (1) Subject to this section, a Joint Authority may, by instrument in writing, delegate its powers under this Act to two persons together.

“(2) An instrument of delegation under this section: 5

(a) must name one person as representing the Commonwealth Minister; and

(b) must name the other person as representing the State Minister or Northern Territory Minister of the Joint Authority; and

(c) must be signed by both members of the Joint Authority. 10

“(3) Where a delegation is made under this section, subsections 8D (2) and (3) do not apply.

“(4) Where the delegates are unable to agree on a matter requiring decision, they must refer the matter to the Joint Authority.

“(5) In the application to the delegates of a provision of this Act containing a reference to the opinion or state of mind of the Joint Authority, the reference is to be read as a reference to the opinion or state of mind of the two delegates of the Joint Authority unless they disagree.”. 15

Exploration for petroleum 20

4. Section 19 of the Principal Act is amended by adding at the end the following subsection:

“(2) For the purposes of subsection (1), a person who does anything preparatory to, or knowingly connected with, exploration for petroleum is taken to explore for petroleum.”. 25

Power of Designated Authority to acquire information as to dealings

5. Section 84 of the Principal Act is amended by inserting in subsection (2) “knowingly” before “furnish information” (second occurring).

Conditions relating to insurance 30

6. Section 97A of the Principal Act is repealed and the following section substituted:

“97A. (1) The holder of a permit, lease, licence or pipeline licence must maintain, as directed by the Designated Authority from time to time, insurance against expenses or liabilities or specified things arising in connection with, or as a result of, the carrying out of work, or the doing of any other thing, under the permit, lease, licence or pipeline licence, including expenses of complying with directions with respect to the clean-up or other remedying of the effects of the escape of petroleum. 35 40

“(2) The conditions subject to which a special prospecting authority or access authority is granted may include a condition that the holder maintain, as directed by the Designated Authority from time to time, insurance against expenses or liabilities or specified things arising in connection with, or as a result of, the carrying out of work, or the doing of any other thing, under the authority, including expenses of complying with directions with respect to the clean-up or other remedying of the effects of the escape of petroleum.

“(3) Where:

- (a) a permit, lease, licence or pipeline licence was in force immediately before the commencement; and
- (b) the Designated Authority has required the holder to maintain insurance under subsection (1); and
- (c) the Designated Authority is satisfied that the required insurance is in effect;

the Designated Authority must issue a certificate that it is so satisfied.

“(4) Where the Designated Authority issues a certificate under subsection (3), any security in force in relation to the permit, lease, licence or pipeline licence, being a security that was required under this Act before the commencement of this section, is discharged.

“(5) The discharge of a security under subsection (4) has no effect on any liability arising under or in relation to the security before its discharge.”.

Access authorities

7. Section 112 of the Principal Act is amended by inserting in subsection (11) “a summary” after “and”.

Release of information

8. Section 118 of the Principal Act is amended by omitting paragraph (4) (d) and substituting the following paragraphs:

“(d) where:

- (i) the document, core, cutting or sample was furnished to the Designated Authority at a time when a permit, lease or licence was not in force in respect of the block; and
- (ii) the information in the document or the core, cutting or sample was collected for the purpose of the sale of information on a non-exclusive basis;

the relevant day is the day determined by the Designated Authority, being a day not more than 5 years after the day on which the document, core, cutting or sample was furnished to the Designated Authority; and

(e) where:

- (i) the document, core, cutting or sample was furnished to

the Designated Authority at a time when a permit, lease or licence was not in force in respect of the block; and

(ii) subparagraph (d) (ii) does not apply;

the relevant day is the day determined by the Designated Authority, being a day not more than 2 years after the day on which the document, core, cutting or sample was furnished to the Designated Authority.”. 5

Payments to Western Australia

9. Section 130 of the Principal Act is amended:

(a) by inserting in subsection (1) the following definition: 10

“ ‘domestic gas’ means petroleum determined to be domestic gas by the Joint Authority;”;

(b) by omitting from subsection (3) “petroleum” and substituting “domestic gas”.

Repeal of section 132 15

10. Section 132 of the Principal Act is repealed.

Orders for forfeiture in respect of certain offences

11. Section 133 of the Principal Act is amended by omitting from paragraph (1) (b) “section 5 or 7” and substituting “section 5, 6, 7 or 7A or paragraph 86 (1) (a)”. 20

Time for bringing proceedings for offences

12. Section 135 of the Principal Act is amended by omitting from paragraph (b) “section 5 or 7” and substituting “section 5, 6, 7 or 7A or paragraph 86 (1) (a)”.

Removal of requirements for securities 25

13. The Principal Act is further amended as set out in the Schedule.

Termination of Permit

14. The permit known as Permit Q/11P is cancelled.

Compensation

15. (1) In this section, “acquisition of property” and “just terms” 30 have the same meaning as in paragraph 51 (xxxi) of the Constitution.

(2) Where, but for this section, the operation of section 14 would result in the acquisition of property from a person otherwise than on

just terms, the Commonwealth is liable to pay compensation of a reasonable amount to the person in respect of the acquisition.

- 5 (3) Where the Commonwealth and the person do not agree on the amount of the compensation, the person may institute proceedings in the Federal Court for the recovery from the Commonwealth of such reasonable amount of compensation as the Federal Court determines.
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SCHEDULE

Section 13

AMENDMENTS RELATING TO SECURITIES

Petroleum (Submerged Lands) Act 1967

Paragraph 22 (1) (a):

Omit all the words from “inform the applicant” to the end, substitute “inform the applicant that it is prepared to grant to the applicant a permit in respect of the block or blocks specified in the instrument; or”.

Paragraph 22 (2) (b):

Omit “and lodge with the Designated Authority the security referred to in the instrument”.

Subsection 22 (3):

Omit all the words from “allows” to the end, substitute “allows, by instrument in writing served on the Designated Authority, request the Joint Authority to grant to the applicant the permit referred to in the first-mentioned instrument.”.

Subsection 22 (4):

Omit “sub-section (1)—” and paragraphs (a) and (b), substitute “subsection (1) has made a request under subsection (3)”.

Subsection 22 (5):

Omit “sub-section (1)—” and paragraphs (a) and (b), substitute “subsection (1) has not made a request under subsection (3)”.

Subsection 25 (4):

Omit the subsection.

Subparagraphs 25 (5) (b) (i), (ii) and (iii):

Omit the subparagraphs, substitute:

- “(i) make a request under subsection 26 (1); and
- (ii) pay the balance of the amount to be paid in respect of the grant of the permit to the applicant or enter into an agreement under section 109 in respect of that balance.”.

Paragraph 26 (1) (a):

Add at the end “and”.

Paragraph 26 (1) (b):

Omit “and”.

SCHEDULE—continued

Paragraph 26 (1) (c):

Omit the paragraph.

Paragraph 26 (2) (a):

Add at the end “and”.

Paragraph 26 (2) (b):

Omit “or”.

Paragraph 26 (2) (c):

Omit the paragraph.

Paragraph 27 (a):

Add at the end “and”.

Paragraph 27 (b):

Omit “and”.

Paragraph 27 (c):

Omit the paragraph.

Subsection 32 (1):

Omit the words from “inform the person” to the end, substitute “inform the person that it is prepared to grant to the person the renewal of the permit.”.

Paragraph 32 (4) (b):

Omit the paragraph and substitute the following paragraph:

“(b) a statement to the effect that the application will lapse if the permittee does not make a request under subsection (5).”.

Subsection 32 (5):

Omit the words from “instrument on him—” to the end, substitute “instrument on the permittee, by instrument in writing served on the Designated Authority, request the Joint Authority to grant to the permittee the renewal of the permit”.

Subsection 32 (6):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has made a request under subsection (5)”.

Subsection 32 (7):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has not made a request under subsection (1)”.

SCHEDULE—continued.

Paragraph 38B (1) (d):

Omit “and”.

Paragraph 38B (1) (e):

Omit the paragraph.

Subsection 38B (3):

Omit “and lodge with the Designated Authority the security referred to in the instrument”.

Subsection 38B (4):

Omit the words from “allows—” to the end, substitute “allows, by instrument in writing served on the Designated Authority, request the Joint Authority to grant the lease to the applicant.”.

Subsection 38B (5):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has made a request under subsection (4)”.

Subsection 38B (6):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has not made a request under subsection (4)”.

Subsection 38G (1):

Omit “and that the person will be required to lodge a security for compliance with the conditions to which the lease, if the renewal is granted, will from time to time be subject and with the provisions of this Part and of the regulations”.

Subsection 38G (4):

Omit “and lodge with the Designated Authority the security referred to in the instrument”.

Subsection 38G (6):

Omit the words from “on the lessee—” to the end, substitute “on the lessee, by instrument in writing served on the Designated Authority, request the Joint Authority to grant the renewal of the lease to the lessee.”.

Subsection 38G (7):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has made a request under subsection (6)”.

Subsection 38G (8):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has not made a request under subsection (6)”.

SCHEDULE—continued

Subsection 43 (1):

Omit the words from “served on the applicant—” to the end, substitute “served on the applicant, must inform the applicant that it is prepared to grant to the applicant a licence in respect of the blocks specified in the application.”.

Paragraph 43 (2) (c):

Omit the words from “application will lapse—” to the end, substitute “application will lapse if the applicant does not make a request under subsection 44 (1) in respect of the grant of the licence.”.

Subsection 44 (1):

Omit the words from “allows—” to the end, substitute “allows, by instrument in writing served on the Designated Authority, request the Joint Authority to grant to the applicant the licence referred to in the first-mentioned instrument.”.

Subsection 44 (2):

Omit “under sub-section 43 (1)—” and paragraphs (a) and (b), substitute “under subsection 43 (1) has made a request under subsection (1)”.

Subsection 44 (4):

Omit “under sub-section 43 (1)—” and paragraphs (a) and (b), substitute “under subsection 43 (1) has not made a request under subsection (1)”.

Subsection 49 (4):

Omit the subsection.

Subparagraph 49 (5) (c) (i):

Add at the end “or”.

Subparagraph 49 (5) (c) (ii):

Omit “or”.

Subparagraph 49 (5) (c) (iii):

Omit the subparagraph.

Paragraph 49 (6) (a):

Add at the end “and”.

Paragraph 49 (6) (b):

Omit “and”.

SCHEDULE—continued

Paragraph 49 (6) (c):

Omit the paragraph.

Paragraph 49 (7) (a):

Add at the end “or”.

Paragraph 49 (7) (b):

Omit “or”.

Paragraph 49 (7) (c):

Omit the paragraph.

Paragraph 50 (a):

Add at the end “and”.

Paragraph 50 (b):

Omit “and”.

Paragraph 50 (c):

Omit the paragraph.

Subsection 51 (3):

Omit the subsection.

Subsection 51 (4):

Omit “Where a licensee—” and paragraphs (a) and (b), substitute “Where a licensee has made an application under this section,”.

Subsection 55 (6):

Omit the subsection.

Paragraph 55 (7) (b):

Omit the words from “application will lapse—” to the end, substitute “application will lapse if the applicant does not make a request under subsection (8).”.

Subsection 55 (8):

Omit the words from “service of the instrument on him—” to the end, substitute “service of the instrument on the licensee, by instrument in writing served on the Designated Authority, request the Joint Authority to grant the renewal of the licence to the licensee.”.

Subsection 55 (9):

Omit “under sub-section (1) or (2)—” and paragraphs (a) and (b), substitute “under subsection (1) or (2) has made a request under subsection (8)”.

SCHEDULE—continued

Subsection 55 (10):

Omit “under sub-section (1) or (2)—” and paragraphs (a) and (b), substitute “under subsection (1) or (2) has not made a request under subsection (8)”.

Subsection 65 (6):

Omit the subsection.

Paragraph 65 (7) (c):

Omit “and lodge with the Designated Authority the security referred to in the instrument”.

Subsection 65 (9):

Omit the words from “allows—” to the end, substitute “allows, by instrument in writing served on the Designated Authority, request the Joint Authority to grant to the person the pipeline licence.”.

Subsection 65 (10):

Omit “under sub-section (1) or (2)—” and paragraphs (a) and (b), substitute “under subsection (1) or (2) has made a request under subsection (9)”.

Subsection 65 (11):

Omit “under sub-section (1) or (2)—” and paragraphs (a) and (b), substitute “under subsection (1) or (2) has not made a request under subsection (9)”.

Subsection 69 (1):

Omit the words from “inform the person:” to the end, substitute “inform the person that it is prepared to grant to the person the renewal of the pipeline licence.”.

Paragraph 69 (4) (b):

Omit “and lodge with the Designated Authority the security referred to in the instrument”.

Subsection 69 (5):

Omit the words from “service of the instrument on him—” to the end, substitute “service of the instrument on the licensee, by instrument in writing served on the Designated Authority, request the Joint Authority to grant the renewal of the pipeline licence to the licensee.”.

Subsection 69 (6):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has made a request under subsection (5)”.

SCHEDULE—continued

Subsection 69 (7):

Omit “under sub-section (1)—” and paragraphs (a) and (b), substitute “under subsection (1) has not made a request under subsection (5)”.

Subsection 78 (6):

Omit the subsection, substitute:

“(6) The Joint Authority must consider each application for approval of the transfer of a title and determine whether to approve the transfer.”.

Subsection 78 (7):

Omit “and shall set out in the notice details of any security required to be lodged by the transferee or transferees”.

Subsection 78 (8):

Omit the subsection.

Section 114:

Omit the section.

NOTE

1. No. 118, 1967, as amended. For previous amendments, see No. 1, 1968; No. 36, 1973; No. 216, 1973 (as amended by No. 20, 1974); No. 57, 1974; No. 80, 1980 (as amended by Nos. 79 and 176, 1981); No. 79, 1981; No. 80, 1982; Nos. 22 and 166, 1984; Nos. 80 and 132, 1985; Nos. 106 and 145, 1987; No. 127, 1988; and No. 15, 1990.



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