

In conjunction with the Statewide Model ILUA, the State has developed an employment and training package within the Queensland Department of Employment and Training's *Breaking the Unemployment Cycle* program to assist native title parties. Traineeships will be made available within certain Native Title Representative Bodies to assist with the administrative workload associated with processing the backlog of mineral exploration permits.

Prior to the launch of the Statewide Model ILUA, another ILUA was signed on 13 September 2001 to begin clearing the mineral exploration backlog in north-west Queensland. This ILUA was negotiated with the Kalkadoon people in a separate but parallel process to the Statewide Model ILUA. The Kalkadoon ILUA, upon registration, will allow for about 90 backlog exploration permits to be granted in north-west Queensland over 12 months. The Kalkadoon ILUA applies to an area of land covered by the Kalkadoon people's claim but excludes areas of land covered by overlapping native title claims.

The exploration companies that participated in these negotiations are Anglo-American Exploration (Aust) Pty Ltd, Matrix Metals Ltd, MIM Holdings Ltd, Noranda Pacific Pty Ltd, Pasminco Ltd and Western Metals Ltd.

To view the Statewide Model ILUA, visit the Department of Mines and Natural Resources website at: <<http://www.dme.qld.gov.au/resdev/native/statewide.pdf>>.

TASMANIA

MINERAL RESOURCES DEVELOPMENT AMENDMENT ACT 2001

This package of legislation includes the *Mineral Resources Development Amendment Act 2001*, which received royal assent on 30 October 2001 and Mineral Resources Amendment Regulations 2001 which were notified in the *Gazette* on 3 October 2001.

The main purpose of the amendments is to legitimise the current mineral royalty regime in Tasmania. A de facto royalty scheme has operated in Tasmania since 1 July 1997. The amendments are for the purpose of formalising a new method of calculating royalty return and retrospectively validating payments made under the de facto regime.

Amongst other matters, the Amendment Regulations amend Regulation 8 of the Mineral Resources Regulations 1996 (S.R. 1996, No. 89) which provides for prescribed royalty rates. For certain minerals the prescribed rate of royalty payable by a lessee or licensee is set out in Schedule 1. For other minerals, the prescribed rate of royalty is calculated in accordance with the following formula, provided in the new regulation 8(4):

$$R = ADV \times N + (P \times C)$$

where –

"R" is the royalty;

"ADV" is the ad valorem percentage rate specified in subregulation (5);

"N" is the yearly net sales of the mineral for the immediately preceding year;

"P" is the yearly profit, if any, for the immediately preceding year;

"C" is the product of

$$E \times \frac{P}{N}$$

where -

"E" is the exponential rate specified in subregulation (6).

Subregulation (5) then goes on to provide the ad valorem percentage rate:

- (a) 1.2% for a period of 12 months ending at any time in the period 1 July 1996 to 30 June 1997 inclusive;
- (b) 1.4% for a period of 12 months ending at any time in the period 1 July 1997 to 30 June 1998 inclusive;
- (c) 1.5% for a period of 12 months ending at any time in the period 1 July 1998 to 30 June 1999 inclusive;
- (d) 1.6% for a period of 12 months ending on or at any time after 1 July 1999.

Subsection (6) prescribes the exponential rate:

- (a) 0.30 up to and including 30 June 1998;
- (b) 0.35 from 1 July 1998 up to and including 30 June 2000;
- (c) 0.40 on and after 1 July 2000.

Regulation 8A prescribes the rebate on royalty payable at 20% for a mineral other than gold dore and 10% for gold dore. The rebate for gold dore may be increased to 20% by the Minister having regard to:

- (a) the size of a new investment and additional employment arising from the production of gold dore; and
- (b) any benefit to the Tasmanian economy from the new investment producing gold dore.

The Amendment Act also clarifies a number of technical matters in the *Mineral Resources Development Act 1995* through various amendments to the parts of the Act dealing with definitions, procedures for applications, categories of minerals, appeals processes and cancellation of leases. Perhaps the most controversial amendment causes the Act to apply to reserved land within the meaning in the *National Parks and Wildlife Act 1970*.

AMENDMENTS FURTHERING TASMANIAN NATURAL GAS PROJECT

Tasmanian legislation supporting the Tasmanian Natural Gas Project was reported in the last issue of the *Australian Mining and Petroleum Law Journal*. Since then, further amendments have been made to the *Major Infrastructure Development Approvals Act 1999* through the *Major Infrastructure Development Approvals Amendment Act (No 2) 2001*, which received royal assent on 10 October 2001.