Uranium Royalty (Northern Territory) Bill 2008

(Amendments to be moved by Senator Ludlam on behalf of the Australian Greens in committee of the whole)

(1) Page 12 (after line 19), at the end of the bill, add:

20 Uranium Mine Remediation Fund

Establishment of Fund and Special Account

(1) The Uranium Mine Remediation Fund is established by this subsection.

(2) The Uranium Mine Remediation Fund Special Account is established by this subsection.

(3) The Fund is a Special Account for the purposes of the Financial Management and Accountability Act 1997.

Credits to the Fund

(4) There must be credited to the Fund amounts equal to the amounts of remediation payments received by the Commonwealth under section 21.

(5) If interest is received by the Commonwealth from the investment of an amount standing to the credit of the Fund, an amount equal to the interest must be credited to the Fund.

Administration of the Fund

(6) The Fund is to be managed by the Minister.

(7) Monies from the Fund are to be applied to management, rehabilitation and monitoring of the sites of mining operations to which this Act applies.

(8) Monies from the Fund are to be paid from funds appropriated by the Parliament for the purpose.

21 Rate of remediation payment

(1) A remediation payment is payable as an additional royalty amount in respect of any designated substance obtained from a production unit in any financial year.
(2) The holders of mining tenements that form part of a production unit are jointly and severally liable for the payment of royalty in respect of the production unit.

(3) The remediation payment is 5 percent of the net value of a saleable mineral commodity sold or removed without sale from a production unit in a financial year.

(4) For the purposes of subsection (3), the net value in a financial year is calculated in accordance with the following formula:

\[ \text{GR} - (\text{OC} + \text{CRD} + \text{EEE} + \text{AD}) \]

Where:

- GR is the gross realisation from the production unit in the royalty year;
- OC is the operating costs of the production unit for the royalty year;
- CRD is the capital recognition deduction;
- EEE is eligible exploration expenditure, if any; and
- AD is the additional deduction, if any, under section 4CA of the applied law.

22 Remediation

(1) Despite any other law, any agreement between the Commonwealth or the Northern Territory (or both) and another party or parties allowing mining operations on land in the Northern Territory to obtain any designated substance must be made subject to the conditions specified in subsection (2).

(2) The conditions are that the other party or parties to the agreement:

(a) recognise the timeframe and toxicity associated with uranium mining by ensuring that the tailings from any such mining operation are physically isolated from the environment for at least 10,000 years, and that any contaminants arising from the tailings will not result in any detrimental environmental impacts for at least 10,000 years; and

(b) agree to pay the amounts payable under section 21 as a contribution to the management, rehabilitation and monitoring of the sites of any such mining operations.

23 Accountability

(1) Despite any other law, any agreement between the Commonwealth or the Northern Territory (or both) and another party or parties allowing mining operations on land in the Northern Territory to obtain any designated substance must be made subject to the conditions specified in subsection (2).

(2) The conditions specified by this subsection are that the other party or parties to the agreement agree to cooperate fully with any requirement:

(a) of the Auditor-General, undertaking any of his or her functions under this Act, including by providing full access to all financial and administrative records; and

(b) of the Supervising Scientist, undertaking any of his or her functions under this Act, including by providing full access to all mining, processing, transport and related operations, and to all related sites.

24 Auditor General’s functions

(1) The Auditor-General’s functions include the functions set out in this section.
(2) The Auditor-General’s functions include auditing:
   (a) the arrangements for the calculation, payment and collection of any amount payable
       under this Act or under any applied law or corresponding law;
   (b) the adequacy of the remediation fund established by section 20 to meet its
       objectives;
   (c) the adequacy of contributions to the remediation fund.

(3) In performing these functions the Auditor-General:
   (a) may perform or exercise any of the functions and powers conferred upon him or her
       by the Auditor-General Act 1997; and
   (b) may seek, and must be granted, access to all financial and administrative records of
       any party to any agreement relating to mining operations to which this Act applies.

(4) As soon as practicable after completing any report on any audit performed under this Act,
    the Auditor-General must:
    (a) cause a copy to be tabled in each House of the Parliament;
    (b) give a copy to the responsible Minister;
    (c) give a copy to the responsible Northern Territory Minister;
    (d) give a copy to any Land Council which is a party to any arrangement to receive any
        royalty under this Act.

25 Supervising Scientist’s functions

(1) The Supervising Scientist’s powers and functions are expanded as set out in this section.

(2) To the extent that, under the Environment Protection (Alligator Rivers Region) Act 1978,
    the powers and functions of the Supervising Scientist are constrained by reference to a
    particular geographic region, those powers and functions are expanded so that the
    Supervising Scientist may perform and exercise any of those functions and powers in
    relation to:
    (a) any mining operation to which this Act applies; and
    (b) any region affected by any such mining operation.

(3) In performing these functions the Supervising Scientist may seek, and must be granted,
    access to all mining, processing, storage, transport and related operations, and all related
    sites under the control of any party to any agreement relating to any mining operation to
    which this Act applies.

(4) The Supervising Scientist may report to the Minister on any matter relating to any mining
    operation to which this Act applies, including:
    (a) supervision, inspection and audit of operations and sites; and
    (b) radiological, biological and chemical monitoring of sites; and
    (c) rehabilitation and mine closure; and
    (d) research activities;
    in relation to both present and past uranium mining activities.

(5) As soon as practicable after the Minister is given a report made under subsection (4), the
    Minister must:
    (a) cause a copy to be laid before each House of the Parliament;
    (b) give a copy to the responsible Northern Territory Minister;
    (c) give a copy to the any Land Council which is a party to any arrangement to receive
        any royalty under this Act.
(3) Page 12 (after line 19), at the end of the bill, add:

26 Review of the costs and benefits of uranium mining royalty arrangements

(1) The Minister must cause independent reviews of the costs and benefits of uranium mining royalty arrangements to be conducted in accordance with this section.

(2) The first review must begin as soon as practicable after the fifth anniversary of the commencement of this section, and a further review must begin as soon as practicable after each third anniversary of that date.

(3) Each review must be completed within 6 months.

(4) Each review must:

(a) identify the costs and benefits of the application of laws and the operation of the royalty arrangements made by this Act;

(b) in particular, identify the costs and benefits to:

(i) the Commonwealth;

(ii) the Northern Territory Government;

(iii) Indigenous communities, in general;

(iv) Indigenous communities affected by mining operations to which this Act applies;

(v) Indigenous communities which are party to any arrangement to receive any royalty under this Act; and

(vi) corporate and other bodies involved in mining operations to which this Act applies.

(5) Each review must be undertaken by a panel comprising not less that 5 members, including:

(a) a person with expertise in royalty models and arrangements; and

(b) a person with expertise in mining law; and

(c) a person with expertise in the financial, managerial, infrastructure and service-delivery challenges of Aboriginal communities; and

(d) representatives of affected communities.

(6) The panel must give the Minister a written report of each review, and the Minister must cause a copy of the report to be laid before each House of Parliament within 15 sitting days of receiving the report.