



Roles of Government.

05 ROLES AND RESPONSIBILITIES OF GOVERNMENT A GUIDE FOR INVESTORS

There are three tiers in Australia’s federal system of government, involving the Australian Government, the six State Governments and two Territories and the local government sector.

According to Australian law, mineral and petroleum resources are owned either by the Australian or State/Territory Governments rather than private individuals. However, none of the three tiers of government themselves engage in commercial exploration and development. Only the wealth-generating private sector initiates exploration and undertakes subsequent mining activities.

Separate Roles and Responsibilities

In the Australian federal system, the Australian and State/Territory Governments have separate roles and responsibilities with regard to resource exploration and development.

The Australian Government:

- › sets national policy, including fiscal, monetary and taxation policy, foreign investment guidelines, immigration, competition policy, trade and customs, company law, international agreements and native title.

The States and Territories:

- › manage and allocate mineral and petroleum property rights, have primary responsibility for land administration, regulate operations (including environmental and occupational health and safety) and collect royalties on the minerals produced.

Distribution of Power

Australian Government	State and Northern Territory
<ul style="list-style-type: none"> › Fiscal policy and investment › Reduction of risk for exploration <ul style="list-style-type: none"> – Geoscience programs – Resource access/Native Title 	<ul style="list-style-type: none"> › Allocate mineral rights <ul style="list-style-type: none"> – Ownership vested in the Crown › Geoscience programs › Regulate exploration and mining, including environmental and safety › Collect royalties

Common Roles and Responsibilities

The Australian and State/Territory Governments as a whole have four roles in relation to the minerals and petroleum sectors. They:

- › establish the macroeconomic environment;
- › look for ways to remove or reduce impediments to industry competitiveness;
- › reduce commercial risk in exploration, by generating and disseminating geoscientific information at reasonable cost; and
- › provide a regulatory framework for exploration, development, project approval, safety and environmental assessment.

Australian Government Involvement

The Australian Government’s jurisdictional involvement is mainly limited to resources found outside the first three nautical miles of the territorial sea ("offshore"):

- › here the resources are owned by the Australian Government, with day-to-day administration carried out by the adjacent State or Territory; but
- › there are cases where the Australian Government wishes, and is able, to exercise control over the environmental impact of mining through its constitutional power over exports, trading corporations and external affairs (for example uranium in the Northern Territory).

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State/Territory Involvement

The jurisdictional involvement of the States and Territories is limited to resources found on their lands or inside the first three nautical miles of the territorial sea ("onshore"). Here the resources are owned by the respective State or Territory, which also carries out day-to-day administration.

Inquiries about access to land for exploration (including out to three nautical miles from shore) or companies seeking exploration licences, require an approach to the relevant State or Territory government (usually the mines department). All the States and Territories contain areas where access for exploration is restricted because of environmental sensitivity, the needs of urban development, or Aboriginal ownership of land.

Please refer to fact sheet 20 for the contact details of relevant State/Territory departments.

