

GOLD MINES DEVELOPMENT ASSISTANCE.

No. 102 of 1962.

An Act to assist the Development of Gold Mines.

[Assented to 14th December, 1962.]

BE it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, for the purpose of appropriating the grant originated in the House of Representatives, as follows:—

1. This Act may be cited as the *Gold Mines Development Assistance Act* 1962. Short title.

2. This Act shall come into operation on the day on which it receives the Royal Assent. Commencement.

3. This Act extends to the Territory of Papua and the Territory of New Guinea. Extension to Territories.

4. In this Act, unless the contrary intention appears—
“approved development”, in relation to a mining property, means, in respect of a year, development or proposed development of that property approved by the Treasurer under section seven of this Act in relation to that year;
“approved” Definitions.

- “approved producer” means a person approved under section six of this Act;
- “bullion” means gold bullion;
- “development”, in relation to a mining property, means work carried out with the object of ascertaining the existence or extent of gold-bearing minerals in the property, and includes preparation of the property, by means of diamond drilling or the provision of drives, cross cuts, rises, winzes or working faces, for the purpose of the continuous production of gold-bearing minerals, but does not include the provision of shafts on the property;
- “development allowance” means development allowance under this Act, and includes an advance under section twenty-two of this Act on account of development allowance;
- “existing mining property” means a mining property from which the Treasurer is satisfied that gold-bearing minerals were produced before the first day of July, One thousand nine hundred and sixty-two;
- “exploratory development”, in relation to a part of a mining property, means—
 - (a) diamond drilling carried out in that part of the property; and
 - (b) work (other than diamond drilling) carried out with the object of ascertaining the existence of gold-bearing minerals in that part of the property;
- “mining” means the production of minerals from a mine or from alluvial or surface deposits, and “mined” has a corresponding meaning;
- “mining property” means a property that the Treasurer is satisfied may properly be regarded as a separate mining property;
- “new mining property” means a mining property other than an existing mining property;
- “producer” means a person who lawfully engages in the production by mining of gold-bearing minerals;
- “reserves”, in relation to a mining property at a particular date, means—
 - (a) the proved quantity as at the relevant date of gold-bearing minerals in the property but not mined, being minerals suitable for treatment for the purpose of the production of bullion;
 - (b) gold-bearing

(b) gold-bearing minerals—

- (i) mined from the property before the relevant date;
- (ii) suitable for treatment for the purpose of the production of bullion but not, before that date, subjected to any substantial process of treatment for that purpose; and
- (iii) on that date, in the ownership of the person who is the producer in relation to the property; and

(c) if the relevant date is a date later than the thirtieth day of June, One thousand nine hundred and sixty-two—gold-bearing minerals—

- (i) mined from the property before the relevant date;
- (ii) suitable for treatment for the purpose of the production of bullion; and
- (iii) sold or otherwise disposed of after the thirtieth day of June, One thousand nine hundred and sixty-two, before being subjected to any substantial process of treatment for that purpose,

being minerals that, in the opinion of the Treasurer, having regard to all the circumstances of the case, should, for the purposes of this Act, be treated as if they were minerals referred to in the last preceding paragraph;

“ the base unit cost ” means—

- (a) in relation to a kind of development of an existing mining property—the amount determined by the Treasurer to have been the average cost per unit of carrying out development of that kind on that property during the period of three years that ended on the thirtieth day of June, One thousand nine hundred and sixty-two, or, if no development of that kind was carried out on that property during that period, such amount as the Treasurer determines; or

- (b) in relation to a kind of development of a new mining property—such amount as the Treasurer determines;

“ the commencing date ”, in relation to a mining property or part of a mining property, means the date determined by the Treasurer to be the date on which gold-bearing minerals commenced to be produced from the property or part;

“ ton ”

- “ ton ” means two thousand two hundred and forty pounds;
“ unit ”, in relation to a kind of development of a mining property, means such unit of measurement of development of that kind as the Treasurer determines;
“ year ” means a year to which this Act applies.

Years to which Act applies.

5. This Act applies to the year ending on the thirtieth day of June, One thousand nine hundred and sixty-three, and to each of the next two succeeding years.

Approval of producers.

6.—(1.) A person may request the Treasurer to approve the person as an approved producer for the purposes of this Act in respect of a specified mining property and, subject to the next succeeding sub-section, the Treasurer may, by writing under his hand, grant or refuse the approval.

(2.) The Treasurer shall not grant an approval under the last preceding sub-section unless—

- (a) the applicant is a producer in relation to the property; and
- (b) the Treasurer is of the opinion that further development, or an increase in the rate of development, of the property would, or could reasonably be expected to, make a substantial contribution to the continued production of gold-bearing minerals from the property or, if gold-bearing minerals have not been produced from the property, to the production of such minerals from the property.

(3.) An approval under this section takes effect, or shall be deemed to have taken effect, on a date specified by the Treasurer in the instrument of approval, but, where the application for approval is made more than three months after the end of a year, the date so specified shall not be a date in that year.

(4.) Where—

- (a) an approval has been granted under this section to a person in respect of a mining property; and
- (b) the Treasurer is of the opinion that—
 - (i) the person has ceased to be a producer in relation to the mining property; or
 - (ii) the mining property has ceased to exist in the form in which it is described in the instrument of approval,

the Treasurer may, by writing under his hand, declare that the approval ceased to have effect as from the date on which, in his opinion, the person so ceased to be a producer or the mining property so ceased to exist in that form.

(5.) The

(5.) The last preceding sub-section shall not be construed as affecting the power of the Treasurer to revoke any approval granted by him under this section.

7.—(1.) A person who is an approved producer in relation to a mining property may, before or during a year, request the Treasurer in writing to approve for the purposes of this Act, in relation to that year, specified development (whether carried out by the producer or by another person), or specified proposed development, of that mining property, and the Treasurer may, by writing under his hand, grant or refuse the approval.

Approval of
development.

(2.) Where—

- (a) an approval has been granted under this section in respect of development or proposed development of a mining property in relation to a year; and
- (b) the Treasurer is of the opinion that the mining property has, at any time before the end of the year, ceased to exist in the form in which it is described in the instrument of approval,

the Treasurer may, by writing under his hand, declare that the development or proposed development ceased to be approved development in relation to the property as from that time.

(3.) Where—

- (a) a declaration is made by the Treasurer under the last preceding sub-section in respect of development or proposed development approved under this section in relation to a mining property in respect of a year;
- (b) approved development has, in the opinion of the Treasurer, been carried out in that year before the time specified in the declaration on the mining property or on a part of the mining property; and
- (c) the mining property has become a part of another mining property or the part of the mining property has become, or has become a part of, another mining property,

the approved development so carried out shall, for the purposes of this Act, be deemed to have been carried out on that other property.

8.—(1.) Subject to this Act, development allowance is payable by the Commonwealth in respect of approved development of a mining property in a year.

Development
allowance.

(2.) The allowance is payable to the person who is the approved producer in respect of that property at the expiration of that year.

9. A person

Development
allowance
not payable
unless
principal
production
is gold.

9. A person is not entitled to development allowance in respect of the development of a mining property in a year unless the Treasurer is satisfied that the value of the gold obtained or obtainable from minerals produced by mining on that property in that year exceeds the value of other substances obtained or obtainable from minerals so produced.

Base
expenditure.

10.—(1.) For the purposes of this Act, the base expenditure in relation to an existing mining property is—

- (a) in respect of the year ending on the thirtieth day of June, One thousand nine hundred and sixty-three—the amount determined by the Treasurer to be the average annual cost of development of the property during the period of three years immediately preceding that year, or, if the Treasurer is of the opinion that, by reason of special circumstances, that average annual cost is not appropriate, such other amount as the Treasurer, having regard to those circumstances, determines; and
- (b) in respect of any other year—the amount applicable to the property under the last preceding paragraph in respect of the year referred to in that paragraph or, if—
 - (i) the Treasurer is of the opinion that, by reason of a material change in the scale or nature of the mining operations carried out on the property, that amount is not appropriate; or
 - (ii) an amount has not been determined under that paragraph in relation to the property,
 such amount as the Treasurer, having regard to all the circumstances of the case, determines.

(2.) For the purposes of this Act, the base expenditure in relation to a new mining property in respect of a year is such amount as the Treasurer determines having regard to all matters relating to the property which he considers relevant to the determination.

Allowable
expenditure.

11.—(1.) For the purposes of this Act, the allowable expenditure on development of a mining property in a year is, subject to the next succeeding sub-section, such amount as the Treasurer is satisfied was the cost of approved development of the property carried out in that year, but not including—

- (a) in the case of an existing mining property—the cost of exploratory development of any part of the property carried out before the commencing date where the entitlement of the person by whom the cost was incurred to carry on mining for gold

on

on that part arose on or after the first day of July,
One thousand nine hundred and sixty-two; or

(b) in the case of a new mining property—the cost of any
development carried out before the commencing date.

(2.) If the cost of any of the development, being development
of a particular kind, exceeds the cost that would have been
incurred if the development of that kind had been carried out at
an average cost per unit equal to the base unit cost applicable
to development of that kind, the Treasurer shall reduce the
amount ascertained in accordance with the last preceding sub-
section by an amount equal to the excess or by such lesser amount
as the Treasurer in special circumstances determines.

12. Subject to this Act, the amount of development allow-
ance payable in respect of the development of a mining property
in a year is an amount equal to the amount (if any) by which the
allowable expenditure on development of that property in that
year exceeds the base expenditure.

Amount of
development
allowance.

13.—(1.) For the purposes of this section, a deficiency in the
allowable expenditure on development of a mining property in
a year occurs if the allowable expenditure is less than the base
expenditure, and the amount of the deficiency shall be taken to
be the amount by which the allowable expenditure is less than the
base expenditure.

Development
allowance to
be reduced by
amounts of
deficiencies
in allowable
expenditure.

(2.) Where the allowable expenditure on development of a
mining property in a year exceeds the base expenditure and at
the end of the preceding year there was an accumulated deficiency
in relation to that property, the development allowance (if any)
payable in respect of the development of that property in that
first-mentioned year is, subject to the succeeding provisions
of this Act, the amount ascertained in accordance with the last
preceding section reduced by so much of the amount of the
accumulated deficiency as does not exceed the amount so
ascertained.

(3.) For the purposes of this section, the amount of the
accumulated deficiency in relation to a mining property at the
end of a year is the amount by which the sum of the deficiencies
in the allowable expenditure on development of the mining
property in that year and preceding years exceeds the sum of the
amounts of the reductions provided for in the last preceding
sub-section in its application in relation to that mining property
in respect of those years.

(4.) Where—

- (a) an accumulated deficiency exists in relation to a mining
property; and
- (b) any part of the property ceases to form part of the
property,

the

the Treasurer may, for the purpose of the application of sub-section (2.) of this section, apportion the amount of the accumulated deficiency between that part and the residue of the property in such manner as he thinks appropriate in the circumstances.

(5.) Where any development carried out on a mining property in a year is not approved development, the allowable expenditure on development of the property in that year shall, for the purposes of sub-sections (1.) and (3.) of this section, be deemed to be the amount that would be the amount of allowable expenditure on development of that property in that year if the whole of the development carried out on the property in that year had been approved development in relation to the year.

Development allowance to be reduced where reserves excessive.

14.—(1.) The object of this section is to ensure that, if a mining property has excess reserves as specified in the next succeeding sub-section at the end of a year, development allowance in relation to that year is not payable in respect of the creation of the excess reserves.

(2.) If the number of the years of supply of reserves that the Treasurer determines to have existed at the end of a year—

- (a) in the case of an existing mining property—exceeds by more than two the number of the years of supply of reserves that the Treasurer determines to have existed in respect of the property on the thirtieth day of June, One thousand nine hundred and sixty-two; or
- (b) in the case of a new mining property—is more than four and exceeds by more than two the number of the years of supply of reserves that the Treasurer determines to have existed in respect of the property at the commencing date,

the property shall, for the purposes of this section, be deemed to have at the end of the year, to the extent of that excess, excess reserves.

(3.) If, at the end of any year, a mining property has excess reserves, the development allowance (if any) payable in respect of the development of that property in that year is, subject to the succeeding provisions of this Act, the amount ascertained in accordance with the preceding provisions of this Act reduced by such amount (if any) as the Treasurer thinks necessary in order to give effect to the object of this section.

(4.) Subject to the next succeeding sub-section, a determination by the Treasurer for the purposes of this section of the number

of

of the years of supply of reserves that existed in respect of a mining property at a particular date shall be made by dividing the reserves that the Treasurer is satisfied so existed by—

- (a) the quantity of the gold-bearing minerals obtained from the property from which bullion was produced in the period of twelve months immediately preceding that date; or
- (b) if gold-bearing minerals were not regularly obtained from that property during that period or bullion was not regularly produced in that period from gold-bearing minerals obtained from the property—such quantity as, in the opinion of the Treasurer, is appropriate having regard to all the circumstances of the case.

(5.) For the purpose of the making of a determination in accordance with the last preceding sub-section, if it appears to the Treasurer that adequate information is not available to him with respect to the reserves that existed in respect of a mining property at a particular date, the Treasurer may ascertain the reserves that existed in respect of the mining property at the latest date preceding that date as at which, in his opinion, it is practicable to do so having regard to the information available to him and may assume that the reserves so ascertained were the reserves that existed in respect of the mining property at the first-mentioned date.

(6.) For the purposes of this section, the number of the years of supply of reserves may be expressed as—

- (a) a number of whole years;
- (b) a part of a year; or
- (c) a number of whole years and a part of a year.

15. Where the amount that would, but for this section and the succeeding provisions of this Act, be the amount of the development allowance payable in respect of the development of a mining property in a year exceeds the amount ascertained by multiplying Four shillings by a number equal to the number of tons of gold-bearing minerals that the Treasurer is satisfied was obtained from that property from which bullion was produced in that year, the development allowance (if any) payable in respect of the development of the mining property in that year is, subject to the succeeding provisions of this Act, the amount that would be payable in accordance with the preceding provisions of this Act reduced by the amount of the excess.

Maximum amount of development allowance.

16. Where—

- (a) bullion or refined gold has been sold, whether by a producer or by another person, at a price in excess of a price based on a value of Fifteen pounds twelve shillings and sixpence per ounce of fine gold;

Sales at prices in excess of Fifteen pounds twelve shillings and sixpence per ounce.

- (b) a producer

- (b) a producer has received, or is entitled to receive, moneys representing the amount of the excess or a share in that amount; and
- (c) in the opinion of the Treasurer, the right of the producer to receive the whole or a part of those moneys arose in relation to bullion produced in a particular year from minerals obtained by him from a particular mining property,

the development allowance (if any) payable in respect of the development of the mining property in that year is the amount that would be payable in accordance with the preceding provisions of this Act reduced by the amount of those moneys, or of that part of those moneys, as the case may be.

Adjustment of
development
allowance where
mining property
sold or
boundaries
changed.

17. Where—

- (a) a person is approved as a producer under section six of this Act in respect of a mining property in respect of which another person has previously been approved as a producer; or
- (b) a person is approved as a producer under that section in respect of a mining property and an approval under that section has not previously been granted in respect of that property, either to that person or to any other person, but an approval has previously been granted under that section in respect of a property—
 - (i) which has become a part of that first-mentioned property; or
 - (ii) a part of which has become, or has become a part of, that first-mentioned property,

the Treasurer may make such adjustment in the amount of any development allowance payable in respect of the development of the property in the year in which the person is approved as a producer, or in any subsequent year, as, in the opinion of the Treasurer, is proper having regard to all the circumstances of the case.

Interconnected
producers.

18. Where, in the opinion of the Treasurer, two or more producers are so connected that it is reasonable so to do, the Treasurer may make such adjustment in the amount of any development allowance payable to one or more of those producers as he thinks proper having regard to the development allowance that would, in his opinion, have been payable if any development carried out by those producers had been carried out by one producer on one mining property.

19.—(1.) In

19.—(1.) In this section, “subsidy” means subsidy under the *Gold-Mining Industry Assistance Act 1954–1962*.

Person not entitled to both subsidy and development allowance.

(2.) Where subsidy has been paid (otherwise than under section seventeen of the *Gold-Mining Industry Assistance Act 1954–1962*) upon the production of bullion produced, or deemed under that Act to have been produced, in a particular year, development allowance is not payable in respect of the development in that year of the mining property from which were obtained the minerals from which the bullion was produced.

(3.) Where a payment has been made under section seventeen of the *Gold-Mining Industry Assistance Act 1954–1962* on account of subsidy under that Act upon the production of bullion produced, or deemed under that Act to have been produced, in a particular year, development allowance is not payable in respect of the development in that year of the mining property from which were obtained the minerals from which the bullion was produced unless the amount so paid on account of subsidy is repaid to the Commonwealth.

(4.) Where development allowance has been paid (otherwise than under section twenty-two of this Act) in respect of the development of a mining property in a year, subsidy is not payable upon the production of bullion produced, or deemed under the *Gold-Mining Industry Assistance Act 1954–1962* to have been produced, in that year, being bullion produced from minerals obtained from that property.

(5.) Where a payment has been made under section twenty-two of this Act on account of development allowance in respect of the development of a mining property in a year, subsidy is not payable upon the production of bullion produced, or deemed under the *Gold-Mining Industry Assistance Act 1954–1962* to have been produced, in that year, being bullion produced from minerals obtained from that property, unless the amount so paid on account of development allowance is repaid to the Commonwealth.

20. Development allowance does not become payable in respect of the development of a mining property in a year unless—

Accounts, &c.

(a) the producer, or, if there is more than one producer, each producer, who is approved in respect of that property at any time during that year—

(i) keeps, to the satisfaction of the Treasurer, books of account or other records containing such information relating to his mining operations and business as is necessary for the determination of claims for that development allowance; and

(ii) furnishes

(ii) furnishes to the Treasurer such working accounts and other information relating to his mining operations and business as the Treasurer requires for the purposes of this Act; and

(b) the accounts and other financial information so furnished are certified by the producer by whom they are furnished and his auditor to be true and correct in every particular.

Inspection of
books, &c.

21.—(1.) A person authorized by the Treasurer to act under this section may, for the purposes of this Act, at all reasonable times enter a property upon which mining operations are carried on by a person who has applied for or been granted approval under section six of this Act in respect of that property or any other property or who has claimed or received development allowance, or premises in which books or records of such a person are kept, and may—

(a) inspect the underground or surface workings on any such mining property and take stock of minerals produced from mining; and

(b) inspect, and make copies of, or extracts from, any such books or records.

(2.) The occupier or person in charge of any property or premises referred to in the last preceding sub-section shall provide the authorized person with all reasonable facilities and assistance for the effective exercise of his powers under that sub-section.

(3.) A person shall not hinder or obstruct the exercise by an authorized person of his powers under this section.

Penalty: Fifty pounds.

Advances of
development
allowance.

22.—(1.) The Treasurer may authorize the making of an advance to a producer on account of development allowance.

(2.) If a person receives by way of advances on account of development allowance in respect of the development of a mining property in a year an amount greater than the amount of development allowance payable in respect of that development, he is liable to repay to the Commonwealth the amount of the excess, and the Commonwealth may recover that amount as a debt due to the Commonwealth by action in a court of competent jurisdiction.

(3.) Where—

(a) an advance on account of development allowance in respect of the development of a mining property in a year has been paid to a producer; and

(b) development

- (b) development allowance in respect of the development of that property in that year is payable to another producer,

the amount of the advance shall be deemed, for the purposes of this Act, to have been paid to the last-mentioned producer.

(4.) Where—

- (a) an advance on account of development allowance in respect of the development of a mining property in a year has been paid to a producer; and
- (b) after payment of the advance and before the end of the year, the mining property has become a part of another mining property, or a part of the mining property has become, or has become a part of, another mining property,

the amount of the advance, or such part of the amount of the advance as the Treasurer determines, shall be deemed, for the purposes of this Act, to have been paid on account of development allowance in respect of the development of the other mining property in that year.

23. For the purposes of the application, at any time, of any provision of this Act in relation to a mining property, the Treasurer may treat the mining property as having been in existence, during such period before that time as the Treasurer thinks fit, in the form in which it exists at that time notwithstanding that, at any time during that period, the property formed part of another property or a part of the property formed the whole or a part of another property.

Powers of Treasurer in relation to changes in boundaries of properties.

24.—(1.) A person shall not—

Offences.

- (a) obtain development allowance that is not payable;
- (b) obtain payment of development allowance by means of a false or misleading statement; or
- (c) present to an officer or other person doing duty in relation to this Act or the regulations an account, book or document, or make to such an officer or person a statement, that is false or misleading in any particular.

Penalty: Five hundred pounds or imprisonment for twelve months.

(2.) Where a person is convicted of an offence against the last preceding sub-section, the court may, in addition to imposing a penalty under that sub-section, order the person to refund to the Commonwealth the amount of any development allowance wrongfully obtained.

(3.) Where

(3.) Where a court has made an order under the last preceding sub-section, a certificate under the hand of the clerk or other appropriate officer of the court, specifying the amount ordered to be refunded and the person by whom the amount is payable, may be filed in a court having civil jurisdiction to the extent of that amount and is thereupon enforceable in all respects as a final judgment of that court.

**Treasurer to
consent to
proceedings
for offences.**

25. Proceedings for an offence against this Act or the regulations shall not be instituted without the consent in writing of the Treasurer.

Appropriation.

26. Development allowance is payable out of the Consolidated Revenue Fund, which is appropriated accordingly.

**Statement for
Parliament.**

27. The Treasurer shall, within six months after the end of each year, cause to be tabled in each House of the Parliament a statement concerning the operation of this Act, and the payment of development allowance, in relation to that year.

**Delegation
by Treasurer.**

28.—(1.) The Treasurer may, either generally or otherwise as provided in the instrument of delegation, by writing under his hand, delegate all or any of his powers and functions under this Act (except this power of delegation).

(2.) A power or function so delegated may be exercised or performed by the delegate in accordance with the instrument of delegation.

(3.) A delegation under this section is revocable at will and does not prevent the exercise of a power or the performance of a function by the Treasurer.

Regulations.

29. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters required or permitted by this Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to this Act, and, in particular, prescribing—

(a) the manner in which, and the time within which, claims for development allowance shall be made; and

(b) penalties, not exceeding a fine of Fifty pounds, for offences against the regulations.