



# **Minerals (Submerged Lands) (Royalty) Act 1981**

**No. 82 of 1981**

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## **An Act to impose a royalty upon minerals other than petroleum recovered from the continental shelf of Australia and of certain Territories of the Commonwealth**

*[Assented to 18 June 1981]*

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

### **Short title**

1. This Act may be cited as the *Minerals (Submerged Lands) (Royalty) Act 1981*.

### **Commencement**

2. This Act shall come into operation on the day on which the *Minerals (Submerged Lands) Act 1981* comes into operation.

### **Interpretation**

3. (1) In this Act, “royalty period”, in relation to a licence, means—
- (a) the period from and including the day on which the licence takes effect to and including the next following 30 June or 31 December whichever is the earlier; and

(b) each period of 6 months thereafter.

(2) Expressions used in this Act that are used in the *Minerals (Submerged Lands) Act 1981* have, unless the contrary intention appears, the same meanings as they have in that Act.

### **Royalty**

4. A person who is or has been the registered holder of a licence shall pay to the Designated Authority a royalty in respect of all minerals recovered by him under the licence.

### **Rate of royalty**

5. (1) Subject to the succeeding provisions of this section, the Joint Authority may, by instrument in writing, determine the rate of royalty payable in respect of a mineral of a kind specified in the instrument.

(2) Without limiting the generality of sub-section (1), the rates of royalty determined under that sub-section may include a rate that is related to the landed value, or to the quantity, of the mineral of the relevant kind.

(3) A rate of royalty determined under sub-section (1) applies in relation to any mineral of the relevant kind recovered under a licence during the period when the rate is in force.

(4) A determination under sub-section (1) takes effect on the day on which a copy of the determination is published in the *Gazette*.

### **Reduction of royalty in certain cases**

6. Where the Joint Authority is satisfied that, having regard to the rate of royalty determined under section 5 in respect of a mineral of a particular kind, further recovery of that kind of mineral under a licence would be uneconomic, the Joint Authority may, by instrument in writing, determine that the royalty in respect of that kind of mineral recovered under that licence shall be at such rate (being a rate lower than the rate determined under that section) as the Joint Authority specifies in respect of such period as the Joint Authority specifies.

### **Ascertainment of landed value**

7. For the purposes of this Act, the landed value of any mineral is such amount as is agreed between the licensee and the Joint Authority or, in default of agreement within such period as the Joint Authority allows, is such amount as is determined by the Joint Authority as being that value.

### **Ascertainment of quantity**

8. For the purposes of this Act, the quantity of any mineral recovered by a licensee during a royalty period shall be taken to be such quantity as is agreed between the licensee and the Joint Authority to have been recovered by the licensee during that period or, in default of agreement within such period as the Joint Authority allows, is such quantity as is determined by the Joint Authority

as being the quantity of the mineral recovered by the licensee during the first-mentioned period.

**Payment of royalty**

**9. (1)** Royalty under this Act in respect of any mineral recovered during a royalty period is payable within 1 month after the last day of that royalty period.

**(2)** Where an amount of royalty under this Act is not paid as provided by sub-section (1), there is payable to the Designated Authority by the licensee an additional amount calculated at the rate of one-third of 1% per day upon the amount of royalty from time to time remaining unpaid, to be computed from the time when the royalty became payable until it is paid.

**(3)** An additional amount is not payable under sub-section (2) in respect of any period before the expiration of—

- (a)** if the rate of royalty payable in respect of the mineral recovered is related to the landed value of the mineral—7 days after the landed value of the mineral was agreed or determined under section 7; or
- (b)** if the rate of royalty payable in respect of the mineral recovered is related to the quantity of the mineral—7 days after the quantity of the mineral was agreed or determined under section 8.

**Royalty and penalties debts due to Commonwealth**

**10. (1)** Royalty under section 4, and an amount payable under sub-section 9 (2), are debts due to the Commonwealth by a person who is or has been the registered holder of a licence and are recoverable in a court of competent jurisdiction.

**(2)** Royalty and other amounts referred to in sub-section (1) received by the Designated Authority shall be deemed to be received by him on behalf of the Commonwealth.