



# Petroleum and Gas Safety and Health Fee

## Frequently asked questions

### *The fee and the form*

Why is the government charging the safety and health fee?

The Queensland petroleum and gas industry has long been required to pay fees related to safety and health regulatory services. Prior to the Petroleum and Gas Safety and Health Fee (the fee), the safety and health services provided by Resources Safety and Health Queensland were partially funded through an audit and inspection fee. The difference between the amount of fees collected and the cost of safety and health services was funded by the state government. The fee commenced 1 July 2010.

Liable entities are required to annually complete a Petroleum and Gas Safety and Health Fee Return Form (return form) in accordance with s.157 of the Petroleum and Gas (Safety) Regulation 2018 (the Regulation). The return form is then assessed in accordance with legislation to determine if you are liable to pay the fee.

What is the fee used for?

The safety and health fee covers the costs of the Petroleum and Gas Inspectorate's 'safety and health' regulatory services for petroleum and gas activities across Queensland. This includes activities to:

- providing a 24-hour emergency response service
- developing safety and health policies and engagement with stakeholders to provide advice
- conducting inspections and audits relating to petroleum and gas activities
- investigating petroleum and gas accidents
- responding to complaints, dangerous situations and emergencies
- researching, developing and facilitating petroleum and gas safety and health best practice
- delivering petroleum and gas safety initiatives to improve industry safety performance
- Facilitating and participating in national petroleum and gas committees and reform agendas.

How long do I have to complete and return the return form?

You have 31 days from the end of each financial year.

What if I belong to more than one category?

You must complete the return form for each category in which you are liable to report, and you will be charged the fee accordingly.

How long do I have to pay the invoice?

You have until 10 December of the financial year it was issued; or 30 days after the invoice is sent to you, whichever is the latter. A late fee is payable if the fee is not paid by the due date. In addition, if a liable person does not pay an amount by the prescribed date, interest is applied at the rate of 15% a year. The interest is calculated as simple interest.

I completed the return form incorrectly; can I resubmit the form and get a refund?

Yes, you can resubmit the form and if it is determined that the fee has been overpaid; a refund will be paid in accordance with s.165 of the Regulation.

Is there a penalty for overdue return forms?

A late return fee does apply and is payable in schedule 6, part 3 (16) of the Regulation.

I am a new operation; when will I need to lodge my first return?

The fee applies to any new plant or activities undertaken in the financial year. If a person becomes liable within a financial year they must lodge a form after the end of the relevant financial year.

### ***Liable organisations***

Am I liable to pay the fee and submit an annual return form?

A liable person is defined in s.155 of the Regulation. A person who is not liable to pay the fee is defined in s.156.

Does an interstate company need to complete the return form and pay the fee?

All liable persons who conduct petroleum and gas and related operations in Queensland that are regulated by the Regulation will be required to complete the return form and pay the fee.

## Cost estimates

The provision of safety and health activities vary in degree in relation to the operating plant's size, complexity and level of risk. The aim is to provide industry with reasonable cost estimates that take into account direct costs, support costs and capital costs.

Reasonable costs can be described as those costs that would be incurred by a proficient officer performing the activity including inspectorial activities, administration of the fee and support activities. To provide an estimate of the costs for the financial year, the Inspectorate uses activity based costing methods.

A capping mechanism applies for fee categories 1 to 4, 6 and 7 based on calculated costs estimated by the Inspectorate each year. Category 5 is excluded as the fee rate for this category is a fixed fee and not a per unit fee.

The cap ensures that the Inspectorate does not collect more than the estimated costs calculated for the year and it currently only applies to the abovementioned fee categories. The capping formula was designed to be used only when the fees collected (that is, fee category annual data multiplied by fee category rate) exceeds its calculated costs planned by the Inspectorate for the fee category.

## *More information*

For more information or to make an enquiry, please contact the Safety and Health Fee Unit.

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