

To: Department of Regional Development, Manufacturing and Water

Re: Draft Queensland Water Strategy

Date submitted: 13 September 2023

Introduction

The Association of Mining and Exploration Companies (AMEC) appreciates the opportunity to make a submission on the Queensland Water Strategy. AMEC is making this submission on behalf of its 78 Queensland members, by providing a united voice for junior and mid-tier exploration and mining.

About AMEC

AMEC is a national peak industry body representing over 550 mineral exploration and mining companies across Australia, with 78 having operations based primarily in Queensland. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry.

Mineral exploration and mining make a critical contribution to Australia's economy, directly employing over 274,000 people. In 2020/21 Industry generated a record high \$301 billion in mining exports, invested \$3.2 billion in exploration expenditure to discover the mines of the future, and collectively paid over \$43.2 billion in royalties and taxes. ABS figures from the June 2023 quarter, were record breaking with Queensland exploration rising by 20% quarter on quarter to \$147.8 million.

AMEC's members explore for, develop and produce minerals including antimony, bauxite, coal, cobalt, copper, gold, graphite, lead, lithium, manganese, mineral sands (such as silica), molybdenum, nickel, phosphate, potash, rare earths, silver, tungsten, vanadium and zinc, across Queensland.

Background

AMEC is an involved member of the current Water Engagement Forum (WEF). AMEC appreciates and values the connection with the WEF, as it provides insight into policy development process and thinking of the department, on initiatives such as the Queensland Water Strategy, as well as the government's vision for Queensland's water resources.

AMEC understands that water is a resource with many and varied users and interested parties; like all resources it holds great value to many stakeholders. AMEC has considered the Queensland Water Strategy at the same time as being consulted on the Strategic Water Infrastructure Plan (SWIP). As such we have attached the response, we provided to the team leading the SWIP's development, to highlight some of our more granular thinking and concerns (Attach 1, email from AMEC to DRDMW's Consultants).

AMEC's core focus will be to highlight areas for improvement and opportunity for further insight as it relates directly to our member base. As mentioned above, most of AMEC's Queensland membership is also actively involved in the development of critical minerals tenures and resources, as well as base and precious metals. It is well understood that the critical minerals surge and development is accelerating in Queensland in responses to the drive for a decarbonised economy and the associated renewable energy and battery technologies, as well as technology used in defence, medical and other devices.

As such, it is important that moving forward the strategies, policies and legislation being embedded by the State are future-proofed to enable and facilitate these developments in a responsible way. Water is a critical input to mineral development, increasingly so for critical minerals. AMEC is committed to advocating for a policy landscape that recognises this and is creative and adaptive in how it partners with industry to help deliver the required demands.

General feedback on Draft Queensland Water Strategy

The draft Strategy is a very broad and high level. AMEC suggests that there is limited value in the document being so high level and expressed this view at the in-person consultation on 24 July 2023. The purpose of the document itself is brought into question at the level it is presented.

As such, AMEC is of the view that the Strategy should have a timeframe. If it is to anchor the work of the department going forward, how long is this strategy in place for? And consequently, when will it be reviewed?

Related to timeframe, it would be valuable if the document more clearly articulated that is the overarching driver for documents such as the SWIP and identify how the timeframes proposed in that document are integrated with the Strategy.

AMEC is supportive of the inclusion of the following key priorities on page six:

- Invest wisely in water infrastructure
- Support innovation and continuous improvement through industry engagement
- Tackle development challenges, invest in regional skills and share expertise
- Secure water for agriculture, advanced manufacturing, renewables, and industries.

AMEC would like to see a standalone decision-making principle that reflects the importance of valuing current and future economic contributions, and identification that our economy is changing. This is a key driver of government decision making and the Strategy should be more transparent and say such.



Further on page 8, the Strategy would benefit from a clearer articulation of how it integrates with other State policies, to demonstrate an integrated, whole of government approach. The example to the left is from the Queensland Critical Minerals Strategy and has also been used in a similar way in the Queensland Energy and Jobs Plan and its supporting documents. The Strategy currently reads as a standalone, water focussed document, with only the occasional mention of other strategies with which there should be clearer interaction. It is not in language or intent inclusive of all the policy drivers that are at play in Queensland. As a principle, AMEC supports water being considered at the point of policy inception and development across government, not as an afterthought that is presumed and believes clear articulation of this is required.

Within the current policy landscape, key challenges and opportunities section, AMEC is concerned that the section appears to prioritise Southeast Queensland and / or urban water supply, only mentioning the 'other 67 Councils'. Some of the highest critical demands for industry are not in urban areas and are in rural and remote locations. Recognition of this as a standalone challenge is considered important.

The mention of 'take-make-waste' circular economy principles will be met with the statutory limitations upon the resources industry to do this. Currently there are significant restrictions placed on the reuse and repurposing of waters from resource operations, which results in extensive volumes of water remaining in a stagnant state and viewed as a 'waste'.

Within the emerging and future needs section, both the 2032 Olympic and Paralympic Games are phrased with Queensland being a renewable powerhouse. AMEC sees these as two very different drivers and while somewhat related they are driven by different commitments. Further a sound Queensland renewable energy policy framework, as well as the critical minerals that underpin the energy transitions success, are happening now and require collaborative planning, that is place-based and considerate of water demands. This section should also highlight that there is unknown demand for water resources—be it new and emerging industries or increasing intensive agricultural production in response to food security—and as such water frameworks need to be adaptive, with review of the current, rigid water planning process being a key commitment.

Case example – vanadium in the Julia Creek and Richmond area

For a number of years, the Queensland Government has strongly supported the development of vanadium in Julia Creek and Richmond and provided significant funding towards a range of initiatives. The industry, explorers and consultants have consistently communicated that fundamental infrastructure and inputs – water, energy, acid, roads – will be critical for the industry to be successful, also for several years.

AMEC is aware that the department plans that prior to the end of this year to announce a review of the Gulf Water Plan. An objective being to increase strategic reserve for uses such as mining. Review of a water plan can take 3-4 years, so this optimistically means a reviewed framework at the close of 2027, which does not align with the development milestones of most of the proponents in this area. This is despite the department being advised by developers and their consultants that review of the plan to support development is needed for approximately the last two years.

In the absence of action from the department, some of the proponents worked together to craft a proposal for a pipeline to supply water security, not only for their projects, but other economic sectors, established mines and the local community, which will grow in response to the developments. This is being scoped out by Sunwater for a business case, however this also likely means that an outcome of this study, will once again likely not support development timeframes.

While the department is keen to work directly with proponents and help them identify alternative water sources, which AMEC is very supportive of, the water sources being discussed have not been supported so far by the community, Great Artesian Basin (GAB) as an example.

It is noted that under the GABORA (Great Artesian Basin and Other Regional Aquifers Plan) 2017, it is possible to receive an allocation from a landholder where a third-party caps and pipes a free-flowing bore. Although at the surface it appears like a potentially viable option, the water quality in these systems are not within the specification suitable for industry. This creates the further challenge of having to treat water and / or may result in significant volume of wastewater as a result. It would also seem unlikely to gain wider support from the community and adjoining or underlying tenure holders in other industry sectors if this water resource was diverted to industry. Community support for access to natural resources is integral to a successful and well accepted development.

Another recommendation will be for proponents to trade with landholders and their entitlements; this is incredibly difficult with the culture of hoarding and the current lack of interventions that the department has to improve this. One of the biggest barriers to trading, is not just that logistical challenges of meeting



the needs to diversifying industries in traditionally under-developed regions, but the Queensland Water Act 2000. As part of this review and development of the Water Strategy an action should be to review the mechanisms that govern water licencing and the definition of works that are regulated within the Act.

There cannot be a water strategy that does not consider the regulation of major water impoundments, and extraction through pumping and pipe networks. For there to be an equitable balance between all users, there needs to be a more meaningful consideration given to how water infrastructure can be developed privately under the Water Act, as well as how this infrastructure can be a sustainable, long-term solution for bolstering water security. This should also extend to the Water Regulation 2016, where water markets and seasonal allocations need to be reviewed in the context of the actual water resources available now, and into the future. This may need to account for those industries currently under development and those industries that may be declining, which may then return surplus water to the system. The issue in this context is there is no line of sight as to peak periods of water use, and periods of surplus, which means there is no line of sight on opportunities and weaknesses in the system.

The final aspect of AMEC's concerns is the Strategy fails to include historical and very recent stakeholder engagement. The *Bradfield Regional Assessment and Development Panel* was completed over 2021 and 2022 and provides very detailed outcomes sought by industry, not to mention submissions and feedback provided in detail on the various Water Plans (Mary Basin, Fitzroy Basin Plans) during the 2021-2023 period. It does not appear as though the effort, time and dedication given to drafting the submission material, or the findings determined from those have been considered in the development of this Draft Strategy.

As such, and with no disrespect intended, the resources sector is plainly frustrated as it is not being considered adequately as an emerging industry in areas where it has not traditionally operated. This should be included as a challenge and opportunity in the strategy.

Conclusion

AMEC appreciates the opportunity to make a submission on the Draft Queensland Water Strategy.

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