

**To: Department of Climate Change, Energy, the Environment and Water**

**Re: Discussion paper – Seeking views on a future national water agreement**

**4 May 2024**

## Introduction

AMEC appreciates the opportunity to provide feedback to the Department of Climate Change, Energy, the Environment and Water (DCCEEW)'s consultation on the Discussion paper – Seeking views on a future national water agreement. Water is a critical resource that is integral to the operation of mineral exploration and mining operations and for achieving the economic and broader benefits the industry delivers to communities.

## About AMEC

The Association of Mining and Exploration Companies (AMEC) is a national industry association representing over 550 member companies across Australia. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry. Collectively, AMEC's member companies account for over \$100 billion of the mineral exploration and mining sector's capital value.

Mineral exploration and mining make a critical contribution to Australia's economy, directly employing over 274,000 people. In 2022-23 Industry generated a record high \$466 billion in resources exports, invested \$4.27 billion (CY2023) in exploration expenditure to discover the mines of the future, and collectively paid over \$63 billion in royalties and taxes.

## General comments

AMEC's feedback on the new National Water Agreement (NWA) includes comments on the consultation process and the seven objectives. Where possible, information is provided in the context of the mining industry and examples are provided for consideration.

The Discussion paper indicates that the key drivers for updating the NWA are the broad 'gaps' identified as; climate change, increasing water demand and Aboriginal and Torres Strait Islander Peoples' water interests. The need for development of a an entirely new NWA is not entirely clear when an update to the *2004 National Water Initiative* (NWI) may have been able to include these priorities.

The development of a new National Water Agreement should consider:

- The criticality of affordable water for economic development, particularly downstream processing of minerals (including critical minerals).

- The discussion paper does not identify and provide clarity of those elements that are working well, neither does it clarify the specific failings that will be reformed for inclusion in the new NWA. The case for a new NWA should be strengthened and further evidence provided as to why it needs to be developed. It is important that DCCEEW identify and retain the elements of the NWI that are working well.
- The Productivity Commission's Interim Report on the NWI suggests there is still much to be done in certain jurisdictions under the current agreement. The new NWA should clarify how the Commonwealth Government will support the State's to find new ways to deliver.
- There is an apparent lack of mapping between the proposed new NWA objectives and the elements of the existing NWI to be reformed and gaps to be addressed. DCCEEW would have garnered more informed feedback from stakeholders on the objectives and outcomes outlined in the discussion paper for the new NWA, had this information been available.
- The Murray Darling Basin (MDB) remains the focus and driver for a new NWA. The failures in this system need to be addressed. The focus of a new NWA should be equally applied to consider more than the MDB. All Australian water sources and the needs of all users must be considered equally. This was a criticism of the NWI, and it is disappointing that the NWA does not reflect the broader reality of Australian water.
- The discussion paper outlines objectives and outcomes but does not propose performance metrics and measures of success. Measuring success must be included in the new NWA.
- The discussion paper outlines high-level objectives and related outcomes, but little other information to indicate what the new National Water Agreement (NWA) would look like. Further information must be provided for more robust discussion and development of the new NWA.

## Consultation process

### *Timing of the Productivity Commission Report*

In parallel to this consultation, the Productivity Commission is undertaking a related [National Water Reform 2024 Inquiry](#) and called for public submissions on an Interim Report (closed 24 April), to inform a final report. This Interim Report is somewhat helpful to inform feedback to DCCEEW's NWA, but the overlapping timeframe for consultation also means that stakeholders are writing two submissions at the same time and the Commission's interim report is 220 pages which takes extensive time and resources to review.

The Commission's report will provide valuable feedback to inform development of a new National Water Agreement that builds on the NWI. It is understood that this report will be used together with DCCEEW's consultation feedback on a new NWA (Discussion paper – Seeking views on a future national water agreement).

The Commission's final report should have been available prior to consultation on the new NWA. However, the Commission notes on its website that DCCEEW provided just a final report is due to be published after DCCEEW's consultation closes on 3 May. Stakeholders commenting on the proposed new NWA will therefore not have the benefit of the insights of the final report before making their submissions to DCCEEW.

This will be taken to State Ministers for discussion and agreement without further public consultation. Subsequent Action Plans to deliver the objectives and outcomes will be decided and delivered by the State and Territory Governments, should they choose to sign up to the agreement.

### **Stakeholder Engagement Fatigue**

The Productivity Commissions' water reform consultation also comes at a time when stakeholders are concurrently inundated with a range of other DCCEEW environmental reforms. There are currently eight consultations open for review, including the extensive range of Nature Positive consultations. Timing in parallel to the Productivity Commission is not beneficial to the process and is somewhat confusing to stakeholders who do not have the full range of evidence and recommendations that the Productivity Commission has already captured from its own consultation process.

### **Water for Mining**

Water is a critical resource that is essential to the operation of mineral exploration and mining operations and for achieving the economic and broader benefits the industry delivers to communities.

#### **Costs**

The source, access to and use of water for mineral exploration is different to that of a developed mining operation. Water is primarily used in mineral exploration for drilling, which usually occurs on a campaign basis in remote areas that do not have fixed water sources and water is therefore carted to site. Mines are of fixed location also often in remote areas, however a more permanent and ongoing access to water must be secured for mining operations including ore preparation and processing. Carting water for drilling and securing water infrastructure for mining operations is a significant cost of doing business. A new NWA must factor this in and not increase costs for the mining industry.

#### **Water Security**

Water source and access also differs according to the geographic location and hydrological aspects of the exploration activity or mining operation. Legislation, policy and planning that considers water for the 'mining industry' must take into account that 'mining industry' activities are diverse and do not have homogeneous requirements. The variability of water for mineral exploration activities, developing projects, mining operations and mineral processing should therefore be taken into account when developing the detail of this new NWA.

#### **Environmental Approvals – Water Allocation**

The access to and use of water for mineral exploration and mining, is governed through extensive rigorous approvals and compliance processes across a range of legislative frameworks. These include the *EPBC Act 1999*, *Water Act 2007* (Cth) and an extensive range of State Government mining and related environmental and water Acts.

The introduction of a new NWA should not introduce excessive red-tape and/or duplicative processes or restrictions on water access or allocations that will result in long-term impacts to the detriment of the mining industry and the benefits it delivers for the Australian economy, communities and global customers.

## Discussion paper – Seeking views on a future national water agreement

### Need to map the NWI elements with proposed NWA objectives and outcomes

The objectives and related outcomes proposed in the discussion paper are very different to those set out in the current NWI (Clause 23). DCCEEW has not provided clarifying mapping to show where previous objectives of the NWI will relate and fit into the proposed seven objectives. It is important for stakeholders to see how the successful elements will transfer over, new elements will fill gaps and elements that are not working will be reformed.

### *What of the NWI?*

Eighteen-year-old plans to consolidate six separate pieces of legislation that govern Western Australia's water resources management system were halted by the Western Australian Government in December 2023. It is unclear what the next steps of water reform are. As the Productivity Commission notes in their Interim Report, the Western Australian Government has not adopted many of the NWI initiatives.

Whereas the Northern Territory is currently amidst a process of water reform. They are actively developing a water reform process, and consulting on new definitions on mine dewatering. AMEC considers the Productivity Commission's characterisation of the Northern Territory's water reforms efforts as unfair.

The Discussion Paper does not address that States that are not directly adjacent to the Murray Darling Basin have not delivered the desired reform. <sup>1</sup>

### Discussion paper lacks detail for genuine engagement and constructive feedback

The objectives and outcomes in the discussion paper have limited information to clarify what would be included in the detail of a new NWA. The current NWI Agreement includes Actions for each objective and the omission of proposed Actions and further details in this discussion paper, limits transparency and the level of genuine consultative engagement. It is understood that the draft Agreement will not be publicly consulted on and will be drafted by DCCEEW using feedback from this high-level Discussion paper and the Commission's final report. A draft agreement will be shared only with Australian Governments for their feedback and decision making.

Due to the chosen consultation process it is unclear how the State and Territory Governments have responded. As AMEC is unaware of a jurisdiction other than the Commonwealth that has called for the NWI to be updated. As identified above, several jurisdictions are still in the process of considering reforms.

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<sup>1</sup> <https://nt.gov.au/environment/water/management-security/changes-water-rules>

DCCEEW's level of public engagement on a new NWA is viewed as little more than 'Inform' on the IAP2 spectrum of public participation<sup>2</sup>, and the paucity of information provided in the Discussion paper will result in an Agreement that is largely developed behind the closed doors of Government.

The Government should consult further with Industry and the community on the NWA.

### **Objective 1 – Securing water for all uses**

There is a need to effectively manage water so as not to disadvantage user groups while still supporting sustainable economic development, and without prescribing who will get the water.

AMEC has participated in numerous consultation processes regarding the effective management and proposed allocation of water at Commonwealth, State and Territory levels. Our view remains consistent across all of these processes, that the effective management of water is a necessary measure, to ensure no commercial or residential groups are disadvantaged, while simultaneously supporting sustainable economic development. We understand this is a challenging balance to achieve, but an important one for the ongoing success of our Industry. Any proposed shift towards national levels of prescription which remove required flexibility, is not supported.

Where water has been secured for mineral exploration and mining operations there is an opportunity for more beneficial third-party water use and sharing with other industry including agriculture and community. Conversely where mining requires water from a third party there should be a pathway to agreements that consider pricing optionality. There remain some difficulties in these arrangements, including extortion, and State policy reviews are sought to help manage these issues.

### **Regional Planning to reduce investment risks**

Industry expects better Government led Regional Planning through the Nature Positive reforms, to ensure that risks relating to water supply for industry are addressed prior to the approvals stage. A regional plan should ensure that the rules do not change after business decisions and investment have been made. AMEC is increasingly hearing that projects that have been granted the relevant environmental approvals for water, are now facing situations where there is in fact a lack of access to approved water sources. Access to water is on the critical path for operations to proceed and these projects are being left stranded by poor Government planning.

Along with regional planning, water related science also plays an important role in water security and must inform the legislation. There are issues, for example in Queensland, where Water Plans do not match the nature of the catchment and there is a need for water markets and seasonal allocations to be reviewed in the context of the actual water resources available now, and into the future.

### **Example: Ravenswood Gold, Queensland**

Ravenswood Gold has recently completed a \$350 million expansion to more than triple processing capacity at its Ravenswood gold mine in Queensland. Water security is a critical concern for the operation and the nearby Ravenswood community, as the company also provides water to the local

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<sup>2</sup> <https://iap2.org.au/resources/spectrum/>

community under their allocations. Under the existing permit, water allocation is limited by Burdekin River flow regimes and cannot be harvested in low or high flow events for technical reasons. This limits water harvesting to medium flows over just six months of the year and the volume of extraction is limited by pipeline infrastructure, meaning the company can only harvest around half the company's 12-month allocation. This is not enough water to sustain operations and maintain town supply, and supplementary temporary licences may be required sometimes.

The Burdekin Basin Water Plan in Queensland does not consider that over the course of a year, data can demonstrate that seasonal variation of high flows may offset low flows and therefore access to water at all times may not deplete the water source. The Water Act and subordinate Water Plan does not provide a regulatory mechanism or flexibility to consider this data and scientific evidence, that would inform a variance to the permit in favour of the band-aid solution of ongoing temporary licencing. The Queensland Government is undertaking a strategic review of water infrastructure plans, however there is a three year wait for the outcomes. The new National Water Agreement should consider how it will influence and accelerate State based legislative issues such as this to ensure better outcomes for the mining industry and the communities they support in instances such as this.

## **Objective 2 – Supporting Aboriginal and Torres Strait Islander Peoples' water interests and values**

Industry is cautious about the inclusion of this objective when there has been minimal detail provided in relation to how this objective will be implemented to achieve the stated outcomes. In the format presented in the discussion paper, it is unclear what Aboriginal and Torres Strait Islander Peoples' ownership and management of water and involvement in decision making will entail. There is uncertainty around how this would impact water access, allocation and related water infrastructure required at different stages of mineral exploration and mining.

Clarification is sought regarding what governance processes will be in place and how legislative frameworks and water policy would work with the new NWA inclusion of Aboriginal and Torres Strait Islander Peoples' water planning and management processes. There are significant risks to existing and future mining industry operations in relation to how these processes might be applied to current and future agreements and allocations for critical water sources. What would be the process in the event proposed industry developments are not supported by relevant interest groups.

In our submission to the Independent Review of the EPBC Act, AMEC acknowledged the need for improved relationships with Traditional Owner and Indigenous groups, built on respect, clear communication and understanding. We also recognise the cultural importance of water to Aboriginal and Torres Strait Islander people's heritage. However, the new NWA is not the most appropriate legislative framework to regulate this outcome.

There is concern that the introduction of this proposed objective introduces a specific NWI element that will create duplication. Clarity needs to be provided around how the proposed objectives and outcomes will align with existing State and Territory Aboriginal Cultural Heritage legislation, policy, and guidelines, for example WA's EPA Social Surroundings. We recommend that existing frameworks should be utilised, as they give significant consideration to these important issues, rather than introducing additional requirements which only partially consider a wide range of heritage issues.

Western Australia for example, is considering removing Aboriginal Cultural Heritage from environmental considerations, and managing it through distinct legislation. Industry continues to support consultation processes with Traditional Owners but believes ambiguous water management initiatives will not achieve the desired outcome.

### **Objective 3 – Climate resilient water management**

The Government must better define what is meant by climate resilient water management. This includes considering how climate change factors and related data are included in adaptive water management decision making.

Environmentally sustainable water planning and management that is interconnected, adaptive and responsive to climate change and other circumstances, relies on data for decision making. In many areas of Australia, there is a lack of understanding of where water resources are and the quality and size of these resources. Groundwater recharge processes and temporal variability are key unknowns and are limits on water source availability for much of inland Australia. This is particularly true for many regional and remote areas where the mining industry is actively exploring for or undertaking mining operations.

Understanding the unique climate change factors and impacts at the regional level of each water system, through better analysis and forecasting, will inform better water related decision making and environmental, social and economic outcomes.

#### **Risk management approach**

The mining industry is increasingly preparing for climate change related water management challenges through adaptive risk management planning. Government approvals and processes are expected to adapt as required to meet the changing risk-profile associated with approving and ongoing monitoring and compliance of water use in these mining operations.

Mining is delivering the minerals for decarbonisation solutions that contribute to mitigating climate change and mineral extraction must be done in the most sustainable way to deliver the expected net benefit. Supporting this goal is an imperative to move toward sustainable water supplies for mining and other industries. This includes Government and private investment in options such as managed aquifer recharge, water recycling schemes, reticulation, water efficient technology, desalination plants and associated infrastructure, including pipelines to get water to where it is required for industry growth.

#### **The importance of data, science and information**

As climate change risks are expected to compound with other factors to impact the draw-down and recharge of water, this must be more closely monitored, and more resources are required to capture and analyse the critical data for proactive planning of more sustainable water supply. It is noted that DCCEEW is currently working with the Australian Climate Service to undertake the National Climate Risk Assessment, and this will inform the National Adaptation Plan. This work will undoubtedly identify water issues and it is expected that better data will support better risk assessment.

Eastern States water usage is supported by the Murray Darling Basin Authority and data about surface water sources are available and supported by Geoscience Australia's National Surface

Hydrology Database. However, in States such as WA, NT and SA where groundwater is the dominant water used, there is a need for better mapping of hydrogeological settings and water bodies. This includes a need to better understand water-related assets such as environmental flows, groundwater dependent ecosystems and Aboriginal and Torres Strait Islander peoples' water expectations.

WA has the largest share of Australia's mining activity in remote areas where nationally there is the least data for these regionally important water sources for industry. There are legislative limitations preventing the release of hydrogeological reports supporting groundwater licence applications assessed by the Department of Water, Environmental Regulation. Some of this hydrogeological water data has been released through the process of the Freedom of Information Act, however this mechanism to work around outdated legislation is less than ideal. Greater transparency of and access to this valuable pre-competitive water data would considerably de-risk the mining industry and other water users search for water.

The capture of, and access to, more data through state and national databases would be appreciated by the mining industry.

#### **Objective 4 – Ensuring evidence-based decision making**

Water related decisions must be based on science and data and the complementary knowledge of Aboriginal and Torres Strait Islander Peoples. AMEC is aware that decision making regarding water for mining operations may be based on outdated hydrological models, with flow regimes and extreme events dictating water input and output in a system not being adequately considered. In some instances, the Water Plans for a region do not match the nature of the catchment.

Data standards across national and State Government legislation, policy and guidelines varies widely. As an example, in South Australia the EPA is introducing a new series of Guidelines for groundwater quality monitoring of regulated activities, including mining. Industry is required to follow these guidelines which include standards for data collection over time. These standards are likely to be slightly different between jurisdictions and that is a matter that requires consideration.

#### **National Water Database and Data Collection**

The capture of water related data and inclusion into data bases is beneficial to policy development and scenario planning. All users of water will benefit from more accessible data and transparency around water information as it builds a picture of the availability and quality of water sources for business and local decision making. Access to centralised Australian water resources data is important as water resources do not stop at the state and territory borders. A national water resource database is important, and a similar analogue is the national Mineral Resources database that Geoscience Australia maintains and uses to report on the nations annual inventory in 'Australia's Identified Mineral Resources'.

The Bureau of Meteorology Water Information together with Water Outlooks can be used to create regional water budgets and there is an opportunity to further improve on this with increasing data resolution and data integrity. There may also be potential to consider expansion and/or inclusion of the National Surface Hydrology database curated by Geoscience Australia, to include all water sources and potentially any other important information related to these water sources such as



cultural sensitivity. DCCEEW also recently announced the establishment of Environment Information Australia, and this could provide a pathway for supporting development of or connecting to a consolidated national water database.

Any database is only as good as the quality and quantity of data that is held within it. There is an opportunity to consider pro-active government programs that capture more water data. This could include supporting industries such as mining who already undertake water drilling programs, to co-fund the capture of further water data in areas where there is poor water data.

Before system changes are made, consideration must be given to the business impact and administrative burden related to any additional data collection, alteration of standards or a requirement to input or access in additional databases and systems. Processes must be streamlined and avoid duplicative provision of data to avoid administrative delays in the development of mining projects and the flow through of benefits.

### **Objective 5 – Transparent, strategic water infrastructure investment**

Mineral resources by their nature are of fixed geographical location and cannot be moved. These are often in remote locations where water is scarce and can only be sourced from water sources such as Groundwater and Artesian Basin water. Getting more sustainably sourced water to where it is needed at the site is a high priority for the mining industry but difficult due to costly infrastructure solutions.

With emerging demand for land use across a variety of different sectors, stable and affordable access to water, is a baseline requirement for the mineral exploration and mining sector. To capture up-and-downstream opportunities in the critical minerals and renewable energy sectors, demand for water is also likely to increase. Planning for investment in current, future and emerging uses now, will best-position Australia to readily capture emerging opportunities, in a highly competitive local and global market.

With more water available and accessible, emerging industries that have previously struggled to establish in Australia, will have an increasing supply of water that is fundamental to project development. For example, with a range of magnetite projects ripe for development across South Australia, a lack of available water has posed a significant challenge requiring collaborative State, Commonwealth and industry input. Supporting and encouraging collaborative infrastructure solutions is a must and a game changer for regions where mineral projects may not otherwise be able to individually source the required water for mining operations.

The States and Territories are responsible for the development and funding of water infrastructure. However, not all States and Territories have equal infrastructure needs. The NT, SA, WA and QLD have greater regional water infrastructure demands due to their more expansive land area and greater regional mineral exploration and mining operations. These States also have long term infrastructure plans including for water infrastructure, which should be considered in the NWA delivery. Funding these extensive water infrastructure needs is much more costly than in other States and Territories and there is a need to clarify who will decide infrastructure investment priorities and how these investments will be realised and delivered.

### **Example: Northern Water project – South Australia**

AMEC supports the development of the Northern Water project as a sustainable source of water in the mineral rich provinces of northern South Australia. These areas are also known for their high renewable energy value and proposed hydrogen projects. The South Australian government is progressing the project in partnership with the minerals and renewable energy industry who are contributing toward funding FID studies. More mines are needed in order to support the State and Commonwealth Government agendas to rapidly transition to decarbonised economies and industries.

The Northern Water project is an excellent example of one industry's needs translating to opportunities for other industry and community to benefit – 'if we build it, they will come'. In conjunction with the Northern Water project and associated infrastructure pipelines being considered by Government, these projects have a forward-looking approach to unlock untapped economic and social opportunities across South Australia's vast expanse.

Desalination plants can support the mining sector, enabling South Australia to capture significant opportunities for global demand for other resources such as their abundant magnetite. This will in-turn have a multiplier effect, supporting the further development of other industry with greater environmental, social and economic benefits for local communities and the State.

### **Example: Julia Creek Vanadium project**

The Queensland Government is supportive of the development of vanadium in Julia Creek, however a review of the water plan is expected to take 3-4 years and this does not align with the development milestones of the proponents in the area. This is despite the developers requesting a review for the last two years. Solutions put forward include water trading with landholder entitlements, however this is difficult under the current legislation and water access to the Great Artesian Basin, while allowed, is not of sufficient quality for industry.

As a long-term solution, the proponents have developed a proposal for a pipeline to supply water security for their projects and other economic sectors, established mines and the local community. 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 relevant Water Acts.

### **Objective 6 – Sustained community trust and confidence in government, water agencies, water managers and users**

There is a need for all water users to be confident that Government, water agencies and managers have undertaken rigorous water use planning that maximises the most beneficial use of water that considers the needs of all users.

The mining industry relies on a social licence to operate that includes community confidence in not only industry adherence, but Government application of rigorous approvals and compliance to ensure that the impacts of water use for mining will not leave the community or the environment worse-off. Having legislative frameworks in place that have robust community engagement processes in place as part of the approvals process ensure this is part of the process to approve water for users. These are already built into State mining legislation and any additional requirements that cause delays to approvals or that increase the monitoring and compliance burden should be carefully considered.

To be effective these robust processes of engagement and approvals must be applied equitably and fairly across all industries and users of water, including pastoralists, farmers, mining, hydrogen and renewables and other industries. Further to this, public transparency of all decisions and ongoing monitoring relating to water use by all users is a high priority and an excellent mechanism for instilling community confidence in sustainable water management.

It is recognised that 'community confidence' is subjective and what is important to individuals or groups within a community is not important to others. How the outcomes of this objective will be measured will require careful consideration.

### **Objective 7 – The efficient use of water**

Water management frameworks that facilitate the efficient use of water are important for long term effectiveness. The Objective does not acknowledge that there may be parts of Australia where water trading is not possible, or a suboptimal outcome. Innovation through digital and physical technologies to achieve water efficiency should be stimulated. This objective seems to focus on innovation for water management frameworks and market mechanisms, however, there is also an opportunity for Government to support technology innovation across industry and communities to reduce demand for water. In the mining industry, water is critical for mineral processing circuits, for grinding, flotation, slurry transportation and hydrometallurgical operations.

Advancing technologies that enable dry mineral processing can offer significantly reduced water demand but there is still a way to go in technological advances before this is adopted by industry as a mainstream technology. Government support to further development of these technologies could substantially increase efficient use of Australia's limited water supplies.

There may also be opportunities to reduce the use of primary water sources by re-using water that is already in circulation and there may be opportunities for technology to support reticulated water schemes in industrial and community settings. There have been numerous inquiries into water trading, including the Productivity Commission's Murray-Darling Basin Plan: Implementation Review 2023<sup>3</sup> and the ACCC's Murray-Darling Basin water markets inquiry 2021<sup>4</sup>

### **Sustainable water supply for mining projects**

A realistic, informed, well-consulted on overview of current and emerging projects across the minerals sector and other sectors is needed to ensure there is an understanding of current and future water needs and limitations. Options for affordable water sources are required as demand for Australia's critical minerals is rapidly increasing, resulting in more mining operations and mineral proponents competing for scarce supply with other users including for renewables, hydrogen and agriculture.

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<sup>3</sup> <https://www.pc.gov.au/inquiries/completed/basin-plan-2023/report/basin-plan-2023.pdf>

<sup>4</sup> <https://www.accc.gov.au/about-us/publications/murray-darling-basin-water-markets-inquiry-final-report>

It is important that as further changes and derivations are made to the Murray Darling Water Allocation Plan and water trading rights, transparent access arrangements and access provisions are maintained for mineral explorers and emerging miners.

AMEC recommends these plans are robustly consulted upon, with suitable data to inform decision making and support capacity building of Government data sets for water, which can be accessed by project proponents seeking to undertake surveys and works of a similar nature or in an affected area.

### **Delivery of the National Water Agreement**

It is apparent that the objectives and outcomes of the new NWA are to be achieved largely by the Australian States and Territories, and related water authorities, and that delivery will be achieved through leveraging a substantial number of legislative and policy frameworks, programs and initiatives.

It would be prudent to undertake a mapping exercise that demonstrates those levers that the NWA will utilise and that may need to be changed in order to deliver the objectives and outcomes of the new NWA. Water resources are not bound by state and territory borders and there is a need for an approach to water management that considers this and will enable better outcomes for all users.

It is also expected that delivering a new NWA will require considerable human resources and funding. It is expected that the Commonwealth Government will provide additional funding support to the States for legislative and policy changes, and new initiatives. As the Commonwealth Government is the NWA leader, DCCEEW should also consider a range of federal funding initiatives to support the success of the new NWA.

### **Commonwealth and State Government governance**

It is noted that, as with the current NWI, that the States and Territories will voluntarily opt-in as being a party to the new NWA. As a Commonwealth driven agreement, consideration must be given to the mechanisms to secure and enforce the States commitments as they are largely responsible for delivering on the Actions through State legislation, policy and programs.

The Productivity Commission's 2024 Interim Report is largely dedicated to a name and shame exercise for the progress of the State's in delivering the NWI objectives. It is apparent that the States are measured against the same objectives and outcomes, regardless of the differences in water source (hydrology/ecology), allocations, usage and management schemes. The new NWA should ensure that the nuance of individual State's is accounted for in objectives, outcomes and related performance measures.

### **Not all water is the same**

Not all water is potable: clean and drinkable from the ground. Non-potable water can contain micro-organisms, chemicals from naturally occurring in the ground, as well as from industry and agriculture, human or animal waste, water treatment and distribution. Soil can contain arsenic, heavy metals and pesticide residues all of which render this less than ideal for human and animal consumption. The Discussion Paper does not acknowledge that not all water is the same. The Final Report should do so, acknowledge the complexity that not all water is potable, challenging one of the baseline assumptions of the NWI. The new NWA must include how the inherent constraints of different water

sources and differing processes for different outcomes will be considered. For example, the differences between mining, agricultural and environmental flows.

### **Mining Industry should not be disadvantaged**

Industry expects that any changes and new requirements under the new NWA will not economically disadvantage current mining industry operators or leave the future industry worse off. This includes those who have invested in developing projects given the status quo of current water policy frameworks.

AMEC seeks to ensure that the delivery of the new NWA does not delay mining industry approvals with additional red-tape, duplicative bureaucracy or lengthy negotiations for water usage. Any delays to projects will cripple Australia's supply of minerals as a source clean energy and decarbonisation infrastructure. This will impact Australia's regional and urban communities and delay the delivery of environmental, social and economic benefits that our clean minerals are providing to the world.

### **Final comments**

AMEC and Industry welcome opportunities to collaborate with Government as the new NWA is finalised, to find a way forward that achieves the objectives and outcomes without creating an unnecessary layer of restrictiveness that will have long term negative impacts on Industry and the availability of water as Australia continues to develop new projects.

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