



18 September 2018

Dr Jennifer Buckley  
Secretary  
Economic Policy Scrutiny Committee  
GPO Box 3721, DARWIN NT 0801

C/O email: [EPSC@nt.gov.au](mailto:EPSC@nt.gov.au)

Dear Dr Buckley

### **Water Legislation Amendment Bill 2018**

Thank you for the opportunity to comment on the Northern Territory's Water Legislation Amendment Bill 2018.

The Association of Mining and Exploration Companies (AMEC) is the peak national industry body representing mineral exploration and mining companies in Australia, some of which have projects in the Northern Territory.

During the introduction of the Water Legislation Amendment Bill 2018, the second reading speech suggests that mining has been displaced as one of the major industries in the Territory. To clarify, by economic contribution mining remains the second biggest industry in the Territory, second to the Government.

The mining industry contributed 11.8% of the Gross State Product to the Northern Territory in 2016-2017<sup>1</sup>, and 6.9% of the jobs<sup>2</sup>. The Territory has substantial deposits of iron ore, zinc, manganese, potash and lithium that could be mined in the future. In March 2018, the Northern Territory Government estimated there were 19 projects that could be developed in the next 12-60 months<sup>3</sup>. Stage 1 of these projects alone is conservatively estimated to input over \$5Billion<sup>4</sup> into the Northern Territory economy.

On behalf of the mining and mineral exploration industry, AMEC make the following comments for the consideration of the committee.

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<sup>1</sup> Pg 7, *Northern Territory Economy*; Northern Territory Budget Papers.

<sup>2</sup> Pg 14, *ibid*.

<sup>3</sup> *CORE: Potential Mining Developments in the Northern Territory* accessed from <https://core.nt.gov.au/resources/mines-and-developing-projects>

<sup>4</sup> *ibid*

### **Association of Mining and Exploration Companies**

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***Water usage is currently managed via the Mining Act***

The current legislative arrangements, that exempts mining from the Water Act does not mean that mining is exempt from regulatory oversight.

Mining and mineral exploration are currently regulated via the *Mining Act 1971* as well as parts of other environmental legislation. The inclusion of an additional layer of red tape will only result in a higher cost to industry.

The inclusion of a water licence is duplicative of the Northern Territory Environmental Protection Authority approval, and the Department of Primary Industry and Resources approvals that must be granted before a mine can proceed.

It remains unclear how the proposed additional layer of licencing, and third Government agency, will improve environmental outcomes.

***Distinction between mining, petroleum and onshore natural gas activities***

The use of water is substantially different between mining, petroleum and onshore natural gas, particularly if a well is hydraulically fractured. Hydraulic fracturing uses water to extract its resource, whereas in mining, water is often a hinderance to operations. A mine has to be dewatered so that ore can be extracted.

It must also be noted that mineral exploration is substantially different to mining and the onshore natural gas industry. Mineral exploration is much smaller scale and occurs over a shorter timeframe. However, like mining, water is again a hinderance to operations that is intersected by most drill holes (depending on the depth of the water table).

***The reversal of the burden of proof.***

AMEC is fundamentally opposed to the reversal of the burden of proof that is proposed in this Amendment Bill. To be presumed guilty of a contravention of the law prior to even entering the area is unreasonable.

If you would like to discuss this submission, I can be contacted on (08) 9320 5150.

Yours sincerely



**Warren Pearce**  
Chief Executive Officer