

Responsible minerals industry uses water to create economic value for Australians

Statement from Dr Gavin Lind, Director Workforce and Health, Safety, Environment and Communities

Australia's minerals industry is supporting prosperity through efficient and responsible use of our water resources, with mining's water use as a share of national consumption falling from 3.9 per cent to 3.7 per cent between 2014-15 and 2015-16.

Water use by Australia's minerals industry is comprehensively regulated, represents a comparatively small share of national water consumption and generates high economic value.

A <u>submission</u> to the Senate Inquiry into water use by the extractives industry, lodged by the MCA, NSW Minerals Council, Queensland Resources Council, SA Chamber of Mines and Energy and Chamber of Mines and Energy WA, showed that between \$111 million and \$127 million of gross value-add was generated per gigalitre of water used for mining in 2015-16.¹

The submission also highlights that – almost five years after its hasty introduction – the case for a sector-specific water trigger in the *Environment Protection and Biodiversity Conservation Act* remains weak.

In addition to confirming that the water trigger duplicated other laws, a 2017 independent review could not establish whether the water trigger, which applies only to large coal mine and coal seam gas development, has improved environmental outcomes or enhanced community confidence.² The Senate Select Committee on Red Tape recently concluded it should be repealed.³

The Senate inquiry is one of a number of parliamentary and independent inquiries to examine the issue of water use by the minerals industry in recent years. While it only uses a small amount of national water consumption, the minerals industry continues to work to further reduce its water use in line with a long-standing commitment to responsible water stewardship, which includes:

- investing significantly in water infrastructure to support sustainable water use
- identifying opportunities for beneficial water use by third parties, including for agricultural production and town water supply
- supporting and investing in research and development to improve scientific knowledge of local water system and catchment health.

Australia's minerals industry is a key driver of the nation's economic prosperity, accounting for 6 per cent of Australia's Gross Domestic Product (GDP) in 2016-17 – or more than 15 per cent if the broader mining equipment, technology and services (METS) sector is taken into account – and directly employing around 230,000 people in high-value, high wage and highly-skilled jobs.

Total workforce including the METS sector exceeds 1.1 million people, or 10 per cent of jobs in Australia.

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¹ Australian Bureau of Statistics, *Water Account, Australia, 2015-16,* monetary tables, ABS catalogue no. 4610.0, released 23 November 2017.

² Department of Environment, Independent Review of the Water Trigger Legislation, Commonwealth of Australia, 2017.

³ Senate Select Committee on Red Tape, Interim Report, *Recommendations*, Commonwealth of Australia 18 October 2017.