

7th October 2016

Research Director
Agriculture and Environment Committee
Parliament House
George Street
Brisbane Qld 4000

aec@parliament.gld.gov.au

Dear Sir/Madam.

## Environmental Protection (Underground Water Management) and Other Legislation Amendment Bill 2016.

Thank you for the opportunity to comment on the Environmental Protection (Underground Water Management) and Other Legislation Amendment Bill 2016.

As the national peak industry body for mining and mineral exploration companies, the Association of Mining and Exploration Companies (AMEC) has a direct interest in this Bill, and makes the following comments:

- AMEC has significant cause for concern at the very broad reach of the Bill and the
  effects the addition of new and further approval processes will have on all projects,
  large and small.
- As our members have pointed out, except in limited circumstances, the amendments will affect all projects that have applied for, or obtained, an environmental authority, but that have not yet secured a water licence for the project.
- The likelihood of additional and more lengthy delays in the granting (or not) of approvals will only serve to increase the risk profile of the resources industry in Queensland to explorers, operators, investors and financiers.
- The additional and 'strengthened' assessments to be undertaken as part of the environmental authority application are still poorly defined and would seem to largely duplicate the already extensive requirements at the expense, literally, of the smaller explorers and operators.
- AMEC notes that while the proponents of the Bill have pointed out the statutory right for mining activities to take associated underground water will be retained under the Water Act 2000, that same right is then severely limited under changes to the Environmental Protection Act 1994 also contained within the Bill.

- The new legislation will also empower the Department of Environment and Heritage Protection to amend environmental authorities of all mining projects. These changes mean that medium and small scale mining projects will also be affected.
- AMEC notes that the deletion of the existing s 20(2)(c) results in ML applicants and ML holders (that is, existing mines) who do not immediately before 6 December 2016 require a water licence (and who may therefore assume, incorrectly, that they are not affected by "did not hold, but would have been required to hold"), to obtain an associated water licence. This is not consistent with any of the public announcements about the Bill.
- It also remains unclear if the associated water licence requirements apply to water (as that term is colloquially used) that is taken or produced in the course of open cut mining (whether of coal or minerals) where that is not "water" as defined in the Water Act. Unfortunately considerable uncertainty still exists in this area.
- If a Water Resource Plan (WRP) changes post 6 December 2016 and as a consequence water that was formerly unregulated becomes regulated, the ML holder cannot apply for an associated water licence (s1250A) and most likely cannot apply under chapter 2 either. AMEC questions whether or not s334ZP would apply to make the taking of that water lawful.
- AMEC understands and supports the need for rigorous scrutiny of resource projects but believes that the increased reporting and monitoring requirements in the Bill, coupled with the high probability of more lengthy delays and less certainty in the approvals processes, will have a direct negative effect on investor confidence.

Thank you for the opportunity to provide input. If you have any questions please do not hesitate to contact me or AMEC Regional Manager, Les Cox

Yours sincerely

Simon Bennison
Chief Executive Officer