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The Research Director  
State Development, Infrastructure and Industry Committee  
Parliament House  
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BRISBANE QLD 4000

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Dear Research Director

### **Regional Planning Interests Bill 2013 – Submission to Committee**

Rio Tinto Alcan makes this submission in relation to the *Regional Planning Interests Bill 2013 (Bill)* which was referred to the Committee on 20 November 2013 by the Deputy Premier and Minister for State Development, Infrastructure and Planning, The Honourable Jeff Seeney MP.

Rio Tinto Alcan is taking this opportunity to raise significant concerns about the Bill, which if passed in its current form, will impair resource availability in Queensland and potentially undermine continued investment confidence in mining projects secured under its special agreements with the State.

Rio Tinto Alcan is primarily concerned with the implications of the Bill within the Cape York Regional Plan. We note that Rio Tinto Coal Australia will make a separate submission.

## **1 Summary of Principal Concerns**

Rio Tinto Alcan summarises its principal concerns with the Regional Planning Interests Bill 2013 as follows.

### **1.1 Special agreement act rights and obligations**

- (a) The Bill fails entirely to recognise and preserve the special rights and obligations which accrue under Rio Tinto Alcan's special agreements with the State, given the force of law under the *Commonwealth Aluminium Pty Limited Agreement Act 1957 (Qld) (Comalco Act)* and the *Alcan Queensland Pty Limited Agreement Act 1965 (Qld) (Alcan Act)* (together, the "**Special Agreements**").
- (b) The rights secured under the Special Agreements are fundamental to Rio Tinto Alcan's significant investments in Queensland and include many obligations binding both the State and Rio Tinto Alcan.
- (c) The obligations imposed by the Special Agreements are substantial and include obligations on Rio Tinto Alcan to build downstream processing facilities in the State. These investments provide significant benefit to the regional economies in Gladstone, Cape York and Queensland more broadly. Altering the property and operating rights, as the Bill purports to do, jeopardises the decades of substantial investment that Rio Tinto Alcan has made in Queensland.

- (d) Rio Tinto Alcan has, over many years, relied upon the certainty of its mining operations and resources in Weipa to underpin the significant investments it has made in both downstream processing facilities as well as ongoing investment in the Western Cape.
- (e) Those rights have been time and again affirmed by previous State governments in pursuing their respective legislative agenda through negotiated outcomes that preserve Rio Tinto Alcan's requirements for investment and operational certainty, but enable policy objectives to be achieved. A recent and pertinent example arose in the context of the introduction, by the former government, of the *Wild Rivers Act 2005 (Wild Rivers Act)* and the declaration of the Wenlock Wild River Basin under that Act. Both the Wild Rivers Act and the Wenlock declaration contained critical protections to enable Rio Tinto Alcan to continue its operations. However, the former government's policy objectives were able to be achieved following a significant process of negotiating with Rio Tinto Alcan changes to the Special Agreements, as per the legislative amendment process contemplated by the Special Agreement Acts. This process directly recognises the importance of the Special Agreements.
- (f) The failure to include in the Bill express 'grandfathering' recognition of Rio Tinto Alcan's rights and obligations under the Special Agreements is inconsistent with the State's obligations under the Special Agreements and the lawful process for any amendments. To proceed in any manner other than through negotiating changes to the Special Agreements would give rise to sovereign risk for Rio Tinto Alcan in respect of its investments in Queensland.
- (g) Special Agreement mining tenements must be expressly exempted from the application of the Bill in recognition of the substantial obligations imposed in those agreements. Further, express exemption is required to fulfil the compact between Government and operators to work together to amend Special Agreements, where necessary, to achieve policy changes whilst maintaining investment certainty and avoiding sovereign risk.

## 1.2 Manifest changes to regulatory regime:

- (a) The Bill introduces a new "land use" regulatory regime which will apply retrospectively to the mining industry (i.e., to existing operations and approved projects) and which will effectively render substantial resources in Queensland unavailable for future investment.
- (b) The regime will provide a mechanism for the State to prohibit or constrain development on existing mining leases and to "retrofit" operating conditions under existing project approvals. If passed, the Bill will lead investors to reconsider the commercial viability of both current and prospective projects.
- (c) In addition to the *Environmental Protection Act 1994 (EPA)* processes that already apply to mining tenements, the regime will provide additional *Sustainable Planning Act 2009 (SPA)* processes to mining tenements, which prior to the introduction of the Bill were excluded from such processes.
- (d) The process of changing regional plans is inflexible and lacks sufficient requirements to take into account scientific evidence on the environmental values of an area relative to economic benefits. The regime is open to changes of a political nature from executive government of either political persuasion altering the Cape York Regional

Plan, creating significant regulatory uncertainty at the time of introduction, as well as when the political landscape changes.

- (e) Policy objectives for the protection of areas of regional interest should instead be achieved through existing regulatory instruments, such as the EPA and should not be through the introduction of new regulatory processes and the imposition of regional plans under the SPA to mining tenements, at a time where the industry is heavily burdened by regulatory process and stated policy objectives of the Government are to reduce red tape, make Queensland open for business and promote regional economic development in Queensland.
- (f) Should the Committee be prepared to recommend that the Bill be passed, the Bill must be amended to address the transparency, inflexibility problems and potential for change due to political objectives. The planning process must recognise the scientific research conducted through Environmental Impact Statement processes.

**1.3 Inadequate exclusion of application and transitional protections for existing resource developments:**

- (a) The Bill contains manifestly inadequate exclusion clauses and transitional protections for existing resource developments and investment ready projects. The Bill imposes a new approval requirement which will constrain the continued development of mines where, for example, activities are inconsistent with new land use constraints applicable under a regional plan.
- (b) The exemption in the Bill for pre-existing resource activities until their next plan of operations is lodged is of little to no practical utility to the industry. Plans of operations are routinely replaced and apply for a maximum of five years. For various mine planning and environmental management reasons, plans of operations are usually replaced in much shorter time periods. The following table shows the past time frames for the plan of operations for both of the Rio Tinto Weipa mining leases. On average, plans of operations are replaced annually:

ML 7024	ML 7031
1 July 2013 – 31 Dec 2014	1 Oct 2012 – 31 Dec 2014
30 Aug 2011 – 30 June 2013	1 April 2012 – 31 Oct 2012
1 Jan 2011 - 31 Dec 2011	1 April 2011 – 31 March 2012
1 Jan 2010 – 31 Dec 2010	31 January 2010 – 1 April 2011

- (c) This represents a substantial loss of property rights and increase in regulatory uncertainty which undermines confidence that a mining operation can proceed with certainty beyond its existing plan of operations, despite that it already holds tenure and an Environmental Authority. The regime should exempt existing resource developments and investment ready projects from the requirement to apply for a new regional interest authority within the area of approved mining tenements with existing environmental authorities.

It is requested that the Committee consider this submission in preparing its report on the Bill to the Queensland Parliament.

**2 Background to Rio Tinto Alcan's Operations**

Rio Tinto Alcan is one of five product groups operated by Rio Tinto, a leading international mining group. Rio Tinto Alcan's global bauxite and alumina division is headquartered in Queensland. It operates the Weipa bauxite mine on Western Cape York Peninsula, operates and holds a 59.4 per cent interest in the 570,000 tonne per annum Boyne Smelters aluminium smelting operation, the Yarwun

alumina refinery in Gladstone developed in 2001, and has an 80 per cent interest in the Queensland Alumina Limited refinery in Gladstone and. As recently as 2012 Rio Tinto Alcan completed an expansion of the Yarwun refinery and has finalised commissioning of what is now a 3.4 million tonne per annum operation and has recently completed a \$700 million upgrade project to Boyne Smelters.

The operations employ approximately three thousand people and are the mainstays of important regional communities. Each year, the operations contribute hundreds of millions of dollars in salaries and wages, \$10 million in royalties and \$6.5 million in community investments.

## 2.1 History of Rio Tinto Alcan in Weipa

Comalco began mining activities at Weipa, on the Western Cape York Peninsula, in the late 1950s following the discovery of the vast bauxite resource by geologist Harry Evans in 1955 and the entry into a State Agreement, endorsed by the then Premier of the State of Queensland and Comalco. Alcan South Pacific acquired a prospecting and then mining area in the north and east of the Comalco lease in the 1960's, also pursuant to a State Agreement. Rio Tinto Alcan companies have been conducting mining operations in Weipa for over 50 years.

Rio Tinto Alcan supports Native Title rights and undertakes its mining operations in consultation with the Traditional Owners of the region, ensuring that obligations established under our Indigenous agreements are met.

In 1997 Alcan South Pacific also entered into an agreement known as the Ely Bauxite Mining Project Agreement with six Traditional Owner groups, three Aboriginal Councils and the Cape York Land Council. Following the acquisition of Alcan by Rio Tinto in October 2007, Rio Tinto Alcan Weipa is now responsible for the implementation of this agreement.

In 2001, the Western Cape Communities Co-Existence Agreement (WCCCA), was signed by Rio Tinto Alcan (then named Comalco), with eleven Traditional Owner groups, four local Aboriginal Councils, the Cape York Land Council and the Queensland Government.

The main purpose of both agreements is to provide a comprehensive, legally binding structure for Rio Tinto Alcan Weipa's relationships with the Traditional Owners, on whose traditional lands Rio Tinto Alcan Weipa acknowledges they operate. These agreements were a ground breaking change in relationship not only between Rio Tinto Alcan and Traditional Owners on the Western Cape, but also represented a high water mark of mining companies operating on lands subject to Traditional Ownership and Native Title.

Whilst these agreements recognise Native Title rights and interests on Rio Tinto Alcan Weipa mining lease areas, they also seek to assist with the preservation of Traditional Owners' culture and to provide a range of benefits and initiatives for the communities. Production linked payments are made by Rio Tinto Alcan Weipa to Traditional Owners' trusts. Local benefits are distributed via these trusts for purposes including education, hardship, cultural activities and business development.

Rio Tinto Alcan Weipa works collaboratively with Traditional Owners, through the relevant agreement structures, to develop comprehensive communities, heritage and environmental management plans. The engagement activities undertaken as part of the implementation of these plans, includes an extensive annual schedule of cultural heritage and environmental studies, surveys and monitoring programmes. In the majority of cases, Traditional Owners are directly engaged to support and provide traditional knowledge input into this work.

## 2.2 Community Investment and Environmental Performance

Rio Tinto Alcan plays an important role in the quality of life and future of the Weipa region and Queensland. The operation contributes both funding and resources to local people and organisations in areas such as childcare,

education, employment, training, health, safety, environment and recreation, royalties to the Queensland Government and production linked payments and employment support and training for traditional owners.

Community facilities and infrastructure are also managed and partly funded by Rio Tinto Alcan and partly funded through a user pays system. This includes providing electricity to Weipa at subsidised rates.

As at the end of 2013, Rio Tinto Alcan Weipa directly employed approximately 1,073 people, 22 per cent of whom identify themselves as Indigenous. Eleven per cent of Rio Tinto Alcan Weipa's employees consider themselves to be local Aboriginal people, with specific connections to the Traditional Owner groups from across the mining lease areas.

Rio Tinto Alcan has been operating in the Western Cape for more than 50 years and values land and water as essential resources from an overall sustainable development perspective. We are strongly committed to managing land and water in a sustainable manner. Rio Tinto Alcan has a long established track record of working with Government to sustainably manage these resources and continually looks for ways to improve land and water management while contributing to the Queensland economy and communities in Cape York. This includes incorporating environmental buffers that are greater than those required by regulation in order to preserve culturally and environmentally sensitive areas after consultation with local Indigenous people. In 2013 Rio Tinto Alcan Weipa met about 31 per cent of its water requirements using recycled water and rehabilitated more than 1,360 hectares of land.

The environmental impacts of the Rio Tinto Alcan Weipa operations in Western Cape York are regulated by a complex and comprehensive set of laws and regulations at both State and Commonwealth Government levels. In 2011, an amended Environmental Authority relating to the operation of ML 7024 (Comalco lease) was approved by the former DERM and in 2012 an amended Environmental Authority relating to ML 7031 (Alcan lease) was approved by DEHP, both following detailed discussions about suitable mining processes, environmental practices, water use and post mining rehabilitation requirements.

In addition, in 2011, Rio Tinto Alcan Weipa and the Queensland State Government agreed to amendments to the Comalco State Agreement and the Alcan State Agreement substantially reducing the quantity of water that was previously authorised to be taken from the Wenlock River system.

A loss of resource available for extraction as a result of the Bill and Cape York Regional Plan that results in a reduced annual production volume will reduce local economic activity, economic output and employment in Weipa.

### 2.3 State Agreement Acts

The property rights and obligations and other rights in respect of the Comalco and Alcan leases were established under special agreements with the State. These agreements are given the force of law under the Commonwealth Aluminium Corporation Pty Limited Agreement Act 1957 (QLD) (**Comalco Act**) and the Alcan Queensland Pty Limited Agreement Act 1965 (QLD) (**Alcan Act**) and have been the subject of amendments from time to time through a process of negotiation and further agreement with the State.

The Rio Tinto Alcan State Agreements contain many obligations binding both the State and Rio Tinto Alcan, including obligations on Rio Tinto Alcan to build downstream processing facilities in the State. The design of these agreements gave confidence in respect tenure and operating requirements in advance of the significant investments required to develop the remote bauxite resource together with downstream processing facilities.

Rio Tinto Alcan has over many years and continues to rely on these rights to underpin significant investments in both the downstream processing facilities in Gladstone as well as on going investment in the Western Cape.

Today, these rights continue to prevail over any inconsistent provisions of the Mineral Resources Act 1989 (**MRA**) and the water rights conferred under the Special Agreements are preserved under Chapter 8, Part 3A and s.1037A of the Water Act 2000 (QLD) (**Water Act**).

Furthermore, section 4 of each of the Comalco Act and Alcan Act explicitly provides that the agreements may only be amended by further written agreement between the State and the relevant company and under the authority of an Act.

### 3 Impact of Bill on Mining Development

#### 3.1 Introduction of Land Use Planning Regime for Mining Development

The Bill proposes a regime for the regulation of 'areas of regional interest' (**ARIs**) in Queensland. The object of the Bill is to control resource activities in designated ARIs by introducing an additional layer of regulation in an already heavily regulated industry.

There are four ARIs introduced under the Bill:

- (a) priority agricultural areas (**PAAs**);
- (b) priority living areas (**PLAs**);
- (c) strategic cropping areas (**SCAs**); and
- (d) strategic environmental areas (**SEAs**).

With the exception of the previously mapped SCAs, the ARIs will be mapped within regional plans or be prescribed under a regulation to be made at some future time. It is expected that regional plans will be the dominant mechanism for prescribing ARIs within Queensland.

The Draft Cape York Regional Plan is made under the *Sustainable Planning Act 2009* (Qld) (**SPA**). This legislation is directed at the regulation of development in Queensland with the exception of development for mining. The effect of the Bill is that for the first time, the mining industry in Queensland will be subject to a regime for land use planning controlled under State planning legislation. This is a significant departure from the existing regulatory framework for a key industry in the State and represents a significant blurring of statutory lines and increased opacity in relation to regulatory certainty.

Under the Draft Cape York Regional Plan, numerous mining tenements, including Rio Tinto Alcan's mining leases, are mapped as a combination of 'general use areas' and 'strategic environmental areas'. In addition, within Rio Tinto Alcan's mining leases, a number of specific 'regional land use priorities' are identified, including the Weipa Wetlands Forest, the Mapoon Coast Area, the Wenlock River and the Port Musgrave Area.

The appropriateness and accuracy of the mapping will be addressed by Rio Tinto Alcan in a separate submission on the draft Cape York Regional Plan. However, it is brought to the Committee's attention that as presently drafted, the plan will have a significant and detrimental impact upon mining interests.

The Bill introduces a requirement for a new regulatory instrument, known as a 'regional interest authority' (**RIA**), to authorise the carrying out of resource activities within an area of regional interest. A RIA is apparently required regardless of whether the activity will actually have an impact on the relevant area of regional interest.<sup>1</sup> This gives rise to an unwarranted regulatory impost on

<sup>1</sup> See section 18 of the Bill which makes it an offence for a person to carry out, or to allow the carrying out, of a resource activity in an area of regional interest unless the person holds an RIA, except where the activity is an 'exempt resource activity'.

all development within the Cape York Region which is only exacerbated by the regional planning framework under the SPA.

A particular concern is that the SPA does not provide a mechanism for the ready amendment of regional plan mapping. In fact, amendments to mapping (excluding errors) will be subject to plan-making process under the SPA, including periods of public consultation.<sup>2</sup>

Further, the regime adds another inflexible regulatory burden to the resources industry where developments are routinely the subject of rigorous environmental impact assessments under State legislation such as the *Environmental Protection Act 1994* (Qld) (**EP Act**) or the *State Development and Public Works Organisation Act 1971* (Qld). In the present form of the Bill, a proponent undertaking resource activities within an area of regional interest will require a RIA even where substantial time, effort, cost and research that has been co-ordinated with the Department of Environment and Heritage Protection (**EHP**) and the Federal equivalent, the Department of Environment demonstrates that:

- the relevant part of a mapped 'strategic environmental area' has no demonstrable strategic environmental value, yet it is included as such in a regional plan; or
- the proposed development, although located in an area of regional interest, will have no adverse impact upon the area.

The development of area of regional interest boundaries (most particularly strategic environmental areas) without serious regard for substantial environmental studies through prior EIS processes that have been approved by EHP and the lack of mechanism for future refinement of mapping is critical given the significance of the mapping under the Bill.

Under the Draft Cape York Regional Plan, open cut and strip mining in an SEA is an 'unacceptable use' and infrastructure required to support mining (such as dams and housing) are only 'compatible uses' where compliant with the regional criteria (which have not been released with the Draft Cape York Regional Plan). The Bill has the potential to facilitate the sterilisation of Queensland's valuable economic resources through the regional planning framework under the SPA (legislation which to date has not applied to mining tenements).

The Draft Cape York Regional Plan could impact up to 300 million tonnes of bauxite resources including 60 million tonnes in areas within the current mining area. In context, Rio Tinto Alcan Weipa produces between 20 million and 26 million tonnes of bauxite per annum.

### 3.2 Failure to Protect Existing Developments and Investment

As noted above, the Bill introduces a requirement to obtain a RIA except in very limited circumstances. The exemptions in the Bill do not adequately protect existing mining development and investment in Queensland.

Pursuant to section 24 of the Bill, which is directed at "pre-existing resource activities", a mining activity is an "exempt resource activity" for an area of regional interest only if:

- the mining activity is being carried out in accordance with a plan of operations for the activity under the EP Act; and
- the land was not in an area of regional interest when the plan of operations took effect.

<sup>2</sup> Chapter 2, Part 6, Division 3 of the SPA provides the process for amending a State planning instrument. With the exception of "minor amendments" or "administrative amendments" (limited to the correction of mapping errors), amendments to regional plans are subject to the same process as the making of new regional plans.

This exemption is of limited utility as it will not protect existing mining development where the relevant plan of operations under the EP Act is replaced. In practice, plans of operations are frequently and routinely replaced. Under the EP Act, a plan of operations has a maximum period of five years, but in practice are routinely replaced every one to two years, meaning that in practice an organisation would have no certainty of operation beyond the short term. This renders capital planning impossibly uncertain and undermines investor confidence.

It is Rio Tinto Alcan's position that such an outcome would introduce unprecedented uncertainty into the regulatory process. More particularly, the Bill will require existing mine operators mining within an area of regional interest (where such operations may have been undertaken for a number of years or decades), to obtain a fresh decision regarding their entitlement to operate.

Critically, under the Bill, it will be open to the chief executive to:

- refuse a miner's RIA application such that it will be an indictable offence for the miner to undertake mining activities within the area of regional interest (even where that the miner is specifically authorised to undertake the activities under a mining lease granted under the *Mineral Resources Act 1989* (Qld) (*MRA*), an existing environmental authority under the EP Act and ancillary approvals such as licences under the *Water Act 2000* (Qld) (*Water Act*));
- impose conditions via a RIA, such as conditions limiting or restricting the activity (even where the activity has *already* been the subject of a rigorous EIS process and approved under existing law); and
- unilaterally amend a miner's existing environmental authority to ensure consistency with a RIA.<sup>3</sup>

The Bill sets up a process for the chief executive to make any of these decisions in relation to developments where **investment and approvals have already been secured**.

To that end, the new regulatory regime introduced by the Bill is, in effect, retrospective in its application and contrary to fundamental notions of certainty in business. It therefore undermines the confidence with which businesses such as Rio Tinto can continue to invest the significant investments required to sustain existing operations as well as the uncertainty with respect to future development opportunities.

### 3.3 Failure to Protect Special Agreement Rights

The Bill does not make any provision for the preservation of Rio Tinto Alcan's rights under its special agreements with the State, which are given the force of law under the State Agreement Acts.<sup>4</sup> This is in marked contrast to a suite of Queensland legislation that regulates Rio Tinto Alcan's activities in Queensland and which expressly preserve the continuation of the rights and entitlements under the Special Agreements, including, for example:

- the MRA, pursuant to which Rio Tinto Alcan holds its mining leases subject to the conditions of the MRA and the Special Agreements, with

<sup>3</sup> Section 100 of the Bill inserts new section 212A into the EP Act which will allow the Department of Environment and Heritage to amend an environmental authority to achieve consistency with an RIA.

<sup>4</sup> See section 3 of the *Commonwealth Aluminium Corporation Pty Limited Agreement Act 1957* (Qld) and *Alcan Queensland Pty Limited Agreement Act 1965* (Qld)



the rights, entitlements and conditions of the Special Agreements to override the MRA to the extent of any inconsistency;<sup>5</sup>

- the Water Act, pursuant to which Rio Tinto Alcan continues to hold its water entitlements under the Special Agreement Acts (independent of the licensing regime under the Act), with the benefit of special provisions for taking water from the Wenlock Wild River Basin;<sup>6</sup> and
- the *Wild Rivers Act 2005 (Wild Rivers Act)* which contains a specific transitional provision confirming that activities carried out (including future activities) under a Special Agreement **are exempt** from any “wild river” declaration or moratorium under that Act.<sup>7</sup>

The position under the Wild Rivers Act is particularly instructive in the circumstances, as the intention of the Bill is to establish an alternative regime for the protection of those areas declared as “wild river” areas under the Act. Under the Wild Rivers Act, not only were operations under Special Agreements preserved, section 17 of the Act provided appropriate protections for the resources industry more broadly.

In particular, the effect of section 17 of the Wild Rivers Act was that notwithstanding a “wild rivers” declaration or moratorium, the holder of an existing authorisation (such as water licence, environmental authority or mining lease) was expressly authorised to start or continue the authorised activity as though the declaration or moratorium had not been made. Notwithstanding the authorities as they existed at that time, Rio Tinto Alcan and the former Government were able to directly negotiate changes to Rio Tinto Alcan’s Special Agreements that provided certainty to Rio Tinto Alcan in relation to investment decisions that were connected to the Wenlock Wild River Basin, but which also enabled the former Government to meet its environmental protection objectives.

In direct contrast, the Bill will not preserve any existing rights and entitlements and will threaten continued reliance by Rio Tinto Alcan on its rights established under the Special Agreements that constitute its authorised “mining activities” under the MRA and EP Act.

If the Bill is passed without adequate exclusion protections, an additional ‘regional interest authority’ will need to be obtained to authorise mining activities within a strategic environmental area despite that the activity is already authorised under the Special Agreements, the MRA, the EP Act and, for water infrastructure, the Water Act.

Based on the Draft Cape York Regional Plan, the present indication in the ‘Regional Land Use Guide’ is that a RIA would be refused due to open cut / strip mining being ‘unacceptable’ in a SEA. This outcome directly cuts across Rio Tinto Alcan’s existing rights. It gives rise to a new sovereign risk that must be taken into account in making decisions on further investments, to the detriment of projects in Queensland.

In contrasting section 17 of the Wild Rivers Act with what is proposed under section 24 of the Bill, it is clear that Rio Tinto Alcan’s position will significantly deteriorate as a result of the position.

A provision to similar effect as section 17 of the Wild Rivers Act is essential for inclusion in the Bill to ensure the security of existing mining investment in Queensland (as was acknowledged by the former State government in that

<sup>5</sup> *Mineral Resources Act 1989* (Qld), upon commencement

<sup>6</sup> Section 1037A of the Water Act, Chapter 8, Part 3C of the Water Act

<sup>7</sup> Sections 17 and 29 of the Wild Rivers Act

instance). In the absence of appropriate exclusion clauses in the Bill, there is a real risk that both existing mining projects and future proposals will be rendered commercially unviable, or investment compromised.

#### 4 Conclusion

It is Rio Tinto Alcan's position that the introduction of an additional land use planning regime is an unnecessary burden in the current regulatory environment, particularly given the scope of approvals already required by resource companies under State legislation.

To the extent that the State wishes to legislate to protect particular areas of environmental interest, this can be adequately achieved through a combination of the environmental authority process under the EP Act and the water licensing process under the Water Act.

However, if the Committee is prepared to recommend that the Bill be passed, it is critical that it recommend amendments to ensure adequate exclusion and transitional provisions are included that expressly protect Special Agreement mines from the operation of the regime (consistent with the approach under the Wild Rivers Act). The Government's policy objectives can be achieved cooperatively with Rio Tinto Alcan without undermining the substantial investments and operations made in Queensland and creating an environment of sovereign risk and investment uncertainty.

We thank you for the opportunity to make these submissions and look forward to the opportunity to work through the details of what is needed to enable the Government's policy objectives to be achieved whilst preserving the rights and the certainty required for Rio Tinto Alcan's operations.

Enquiries should be directed to Julia Wilkins on 07 3625 5141 or [julia.wilkins@riotinto.com](mailto:julia.wilkins@riotinto.com) . Julia will coordinate the relevant people within Rio Tinto Alcan to assist with any further information.

Yours sincerely



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