MINERALS COUNCIL OF AUSTRALIA

PRODUCTIVITY COMMISSION DRAFT REPORT ON NATIONAL WATER REFORM

15 APRIL 2021

TABLE OF CONTENTS

EXECUTIVE SUMMARY

The Mineral Council of Australia (MCA) has long supported the Intergovernmental Agreement on the National Water Initiative (NWI). The Australian minerals industry has a long standing-commitment to sustainable management of Australia's precious water resources.

The MCA reiterates its support for the integration of the minerals industry into NWI consistent regimes however a renewed NWI needs to retain flexibility to respond to regional and sector specific issues which continue to persist. These include an acknowledgement of associated water characteristics, operations in geographical isolation or geological constraints and the use of water unsuitable for any other uses including saline or hypersaline water.

Despite clause 34 of the current NWI allowing for alternative arrangements for water use by mining there has been significant progress to appropriately integrate mining into water entitlement systems. In most cases, a water entitlement is required for associated and non-associated water used by the minerals industry and these entitlements are generally consistent with the NWI.

Rightly, this integration has differed from jurisdiction to jurisdiction depending on the unique circumstances in that jurisdiction. In fact, in some states there are regional specific arrangements to effectively manage water resources and water rights. This should be encouraged to continue where the principles that underpin specific arrangements align to the outcomes sought of the NWI.

Water used by the mining industry can be generally defined as associated water and non-associated. Associated water is water that is unavoidably extracted as part of the mining process to enable safe access to the coal seam or ore body - its take is not discretionary or its use consumptive. Non-associated water is water that is extracted to be used for construction and operational purposes, its use is discretionary and/or consumptive.

For example, in Queensland a sophisticated licensing and regulatory regime has been developed to manage associated water. Entitlements for water take and regulation of associated water take that ensures unsustainable impacts on water resources are avoided, surrounding users are not disadvantaged and fluctuations in associated water take are accommodated. This in recognition that associated water is not discretionary or consumed and the limited rights to access the water come with substantial statutory obligations not imposed on other water access arrangements.

Requiring states and territories to fully integrate associated water take into existing entitlement schemes would significantly duplicate regulation on the minerals industry, lead to inefficient resource allocation, and undermine a government policy goal of coexistence between the agriculture and resources sector. The effectiveness of these system should be evaluated against its fulfilment of the principles of the NWI rather than the process of how it achieves those principles.

Where necessary, any policy changes proposed for a new NWI should be accompanied by appropriate transitional arrangements in recognition of long term investment decisions which have been made and to respect property rights.

As part of its leadership in water stewardship, the mining industry has made investments to improve water quality, recycle water, and/or return water to surface and groundwater systems to balance water take, achieve environmental benefits or enable access by other users. The MCA proposes that a renewed NWI should appropriately recognise water returned to water systems to incentivise good water stewardship.

This should include appropriate recognition systems for managed aquifer recharge, water provided under agreement to third party that substitutes water those parties had a right to extract (virtual re-injection), water returned to catchments by surface water, and water provided to communities for water supply.

The renewal of the NWI provides an opportunity to more fully recognise the rights and interests of First Nations communities in the water planning process including incorporation of Indigenous knowledge. At a local level, the minerals industry has had significant experience in working with Traditional Owners to understand cultural water use and aspirations. This may complement broader work to support local cultural, social and economic aspirations.

To support a practical national approach the MCA stands ready to work with the newly established Committee on Aboriginal Water Interests and individual jurisdictions on how to appropriately respect and support Indigenous water rights as part of the new water framework.

With respect climate change, the MCA supports a water planning and entitlements framework that is appropriately responsive to the impacts of climate change and improves certainty for water users on how these changes will be managed.

Further to our submission on the Issues Paper the MCA again recommends:

- The NWI should not be allowed to lapse, while the implementation of water policy will always be challenging, the NWI has firm foundations and the MCA supports continued progress towards greater national consistency on water policy.
- A revised NWI should acknowledge the specific circumstances and characteristics of minerals industry water use and the ongoing need for transitional arrangements. Similar to Clause 34 this should provide for the ongoing use of management arrangements outside of the NWI where regional circumstances require but these arrangements should aim to fulfil the principles of the NWI.
- The circumstances (or ‘compelling reasons’) under which the transitional arrangements apply should be defined to provide guidance to jurisdictions implementing a revised NWI and provide transparency for all stakeholders.
- The development of ‘fit for purpose’ water planning, access and entitlement arrangements that accommodate the characteristics of minerals industry water use, enabling industry to be better integrated into regional water planning or market arrangements with approriate risk provisions.
- Greater flexibility in water resource planning to consider new information and accommodate water resources of varying quality with a price signal that encourages the use of lower quality water.
- Improved regulatory efficiency by reconciling water planning regimes with other regulatory frameworks and working to eliminate duplications, overlaps and inconsistencies between federal and state/territory regulatory frameworks aligned to the broader government agenda.

1. INTRODUCTION

The MCA appreciates the opportunity to provide a submission on the Productivity Commission's Draft Report on National Water Reform and has participated in the industry consultation process during the review.

The MCA is the peak industry organisation representing Australia's exploration, mining and minerals processing industry, nationally and internationally, in its contribution to sustainable development and society.

The MCA's strategic objective is to advocate public policy and operational practice for a world-class industry that is safe, profitable, innovative, environmentally and socially responsible and attuned to community needs and expectations.

Australia's mineral industry is a major contributor to investment, exports and government revenues. The industry directly employers 238,000 Australians and the mining engineering technology supply chain directly and indirectly supports 1.1 million jobs. As Australia rebuilds after the COVID-19 pandemic, the industry will continue to make a substantial contribution to the recovery.

The MCA supports the NWI. As outlined in the MCA's submission to the Issues Paper, the member companies are signatories to *Enduring Value – the Australian Minerals Industry Framework for Sustainable Development*. The industry has a long-standing commitment to the effective and responsible management of Australia's water resources.[1]

The Australian minerals industry is a leader in water stewardship and actively contributes to the achievement of the United Nations Sustainable Development Goals (SDGs), the outcomes of which align with the industry's commitments under Enduring Value.[2]

The industry's activities often target reinforcing SDG outcomes, (e.g. SDG6: clean water and sanitation, SDG 14 Life below water, SDG15, Life on land and SDG17: Partnerships).[3]

MCA member companies are also adopting 'Towards Sustainable Mining' (TSM) a new site-level ESG performance system. TSM includes a specific protocol for water stewardship. The protocol includes specific criteria for water governance, operational management, and contribution to regional scale outcomes.

Water availability and security of supply is a critical business risk for the minerals industry. Mining and minerals processing cannot occur without secure access to a reliable water supply. While a small water user at a national level, the industry can be a significant user at a local level. As such, mining projects are subject to rigorous and extensive environmental approvals process.

The minerals industry is at the forefront of consistent water accounting and reporting, developing a sector-leading water accounting framework. The framework has been adopted by MCA members and by industry globally, with components integrated into the Global Reporting Initiative corporate reporting standard. The framework's metrics are used in both company reports and in some cases on a regional basis (e.g. the Upper Hunter Valley in New South Wales). The objectives of the industry in these voluntary activities closely aligns with that of the NWI.

[1] Minerals Council of Australia, Enduring Value, 2015 Edition.
[2] United Nations, Sustainable Development Goals, 2015 Edition.
[3] Minerals Council of Australia, Sustainability in action, October 2018.

2. ONGOING NEED FOR TRANSITIONAL ARRANGEMENTS

The MCA supports greater integration of mining into the NWI however there remains a need for flexible arrangements to address unique characteristics including the management of associated water, geological and geographical constraints and the access to and use of low quality water.

To achieve this the MCA recommends:

- A revised NWI should acknowledge the specific circumstances and characteristics of minerals industry water use and the ongoing need for transitional arrangements. Similar to Clause 34 this should provide for the ongoing use of management arrangements outside of the NWI where regional circumstances require but these arrangements should aim to fulfil the principles of the NWI.
- The circumstances (or 'compelling reasons') under which the transitional arrangements apply should be defined to provide guidance jurisdictions implementing a revised NWI, while enhancing transparency and accountability in how this flexibility is applied.

The MCA notes the Productivity Commission's Draft Report states the full incorporation of extractive industry into entitlement and planning framework should occur:

> Remove exemptions for mineral and petroleum industries; establish a process to determine whether alternative water sources can be incorporated into water access entitlement frameworks; and recommit to a risk-based approach to managing significant interception activities.[4]

The MCA submits that clause 34 of the NWI has been incorrectly characterised an exemption. Clause 34 of the NWI states:

> The Parties agree that there may be special circumstances facing the minerals and petroleum sectors that will need to be addressed by policies and measures beyond the scope of this Agreement. In this context, the Parties note that specific project proposals will be assessed according to environmental, economic and social considerations, and that factors specific to resource development projects, such as isolation, relatively short project duration, water quality issues, and obligations to remediate and offset impacts, may require specific management arrangements outside the scope of this Agreement.[5]

It is the MCA's view that clause 34 of the NWI acknowledges there are special circumstances facing the minerals and petroleum sectors that need to be addressed by policies and measures beyond the scope of the agreement. In fact, in all jurisdictions approval processes for mining projects examine the environmental, economic and social and arrangements that address isolation, project duration, water quality issues and obligation to remediate and offset significant project impacts.

This flexibility is not a question of special treatment that would unjustifiably put mining on an unequal basis to other activities, but about special and careful consideration that recognises the unique ways in which mining interacts with water systems. Importantly, these requirements should be addressed in a manner consistent with the core principles of the NWI.

Even though clause 34 of the NWI provides for alternative arrangements for water use by mining, it has not been applied broadly, but has instead has provided a vehicle for mining to transition under the NWI. There has been significant progress to appropriately integrate mining into water entitlement systems. Rightly, this integration has differed from jurisdiction to jurisdiction depending on the unique circumstances or practical barriers in that jurisdiction. In some states there are regional specific arrangements to effectively manage water resources and water rights where the industry operates.

[4] Productivity Commission, National Water Reform – Draft Report, February 2021, page 13.
[5] Intergovernmental agreement on a National Water Initiative, agreed in 2004 by the Council of Australian Governments.

This aligns well with the mineral industry position the industry can be more fully integrated where planning and entitlement regimes accommodate industry water use characteristics. The MCA considers there to be value in examining these arrangements to ascertain both the effectiveness of these solutions and the circumstances under which they have applied. The question should be asked whether these arrangements are optimising the management and use of this water in line with the intent of the NWI.

The MCA considers the prevailing unique circumstances or practical barriers facing the integration of the minerals industry should be accommodated under flexible arrangements in a renewed NWI are:

- Acknowledgement of the characteristics of associated water take as non-discretionary, less predictable and not used orconsumed and in some jurisidications offseting and mitigation arrangments are in place and are working
- Regional or remote areas where water resource plans may not be place, markets may be thin or not well developed
- Use of poor quality water (e.g. saline or hypersaline water) unsuitable for other non-industrial uses
- Proponents may prove up new water resources that sit outside planning frameworks
- Geologically/geographical constraints making market development unviable (e.g. certain remote areas).

Associated water

In all jurisdictions a water entitlement is generally required for non-associated water used by the mineral industry. This is appropriate given there are alternative options to obtain water for non-associated purposes, such as construction, operational purposes and other consumptive uses.

Associated water is unique to the resources sector and requires further consideration. Associated water is the water that is the unavoidably taken through the process of extracting minerals, for example groundwater seepage into a mine void. Importantly it is not a discretionary take of water or consumed and there are no alternatives other than to remove the water to enable safe operation and access to ore bodies/coal seams that sit below the water table or groundwater system. Although associated water is a by-product the mining industry still treats this water as a resource in accordance with the principles of good water stewardship.

Case study – Queensland's alternative arrangements

In recognition of the special circumstance of the extraction of associated water Queensland has maintained a limited statutory right with significant legislative obligations for resource tenure holders to take associated water.

To sustainably manage water resources and further develop the mining industry Queensland has developed a comprehensive legislative framework that:

- Ensuring the environmental, social and economic impacts of the extraction of associated water are fully assessed through a transparent process
- Protecting through 'make good' arrangements water entitlements and water rights of other parties to effectively offset or mitigate the use of this water [6]
- Fostering co-existence between the agriculture and resources sectors.

Major resources projects in Queensland are required to complete a comprehensive Environmental Impact Assessment (EIA) process under Queensland and where relevant under Australian Government legislation. The foundation of these comprehensive EIA processes are an evaluation of the environmental, social and economic impacts of the project.

Additionally the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* (EPBC Act), 'water trigger' for coal seam gas and large coal mining development requires these projects to obtain federal approval. Importantly, no other industry is subject to these arrangements.

Following the EIA process, mining projects have then had to secure an environmental authority and a resource authority. These processes typically takes a number of years and involves multiple opportunities for public comment.

Under the Chapter 3 of the Queensland Water Act, resource tenure holders are generally also required to submit a new Underground Water Impact Report every three years.

For associated water that is taken under the new regulatory framework for mining, there are additional reporting requirements to which other water users are not subject.[7]

The MCA contends that the mining industry's ability to take associated water in Queensland is a lesser right that those held by others including water entitlement holders because the right comes with extensive obligations including 'make-good arrangements' if other users are impacted meaning the 'right' is not exclusive. The 'make good' arrangements extend to all registered bore holders including bores used for stock and domestic purposes for which a water entitlement is not required.

Additionally, the ability to use associated water cannot be separated from the title of the resource authority, nor can be sold, mortgaged, leased sub-divided or amalgamated which are all characteristics of water entitlements under the NWI which the Productivity Commission notes aligns with efficient property rights.

These arrangements in Queensland ensure that resources and agriculture aren't in direct competition for water when it comes to associated water. This is consistent with the Queensland Government's policy approach to promote co-existence between resources and agriculture. Given the substantially higher value added per gigalitre used for mining compared to agriculture, direct competition for significant volumes of associated water (managed but not used by operations) would almost certainly see resource project acquire water entitlements from agriculture which could have a detrimental impact on the economic diversity of regional communities and no commensurate improvement in sustainable water management.

[6] Queensland Government, Department of Environment and Science – Quick guide – Make good obligations, March 2017.
[7] Queensland Government, Business Queensland – water reporting for coal and mineral activities, viewed on 3 March 2021.

Variability and potential double counting of associated water

The volumes of associated water extracted can vary from year to year depending on development plans, local geology and groundwater characteristics, rainfall patterns and other climatic factors. Given the year to year variation traditional water instruments that provide for annual allocations designed predominately for the agricultural sector are not fit-for-purpose for associated water.

Projected water take often greatly exceeds actual associated water extraction because resource projects are assessed using a precautionary approach. Due to year to year variation in associated water a mining company may be required to hold water licences for the maximum predicted water take for any given year over the anticipated life of an operation.

For example, there are mining operations in the Pilbara where the average annual take of associated water is only 30 per cent of licenced water take. Therefore the requirement to hold a water entitlement for associated water can lead to the inefficient allocation of water resource.

Similarly in New South Wales where mining is fully integrated into the water licensing regime, there are examples where mines have been required to be hold an entitlement for their maximum predicted annual associated water take even through this will rarely occur. This conservative approach unnecessarily withdraws water from the market that could be used in a more optimally.

When a mine pit is dewatered, underground water levels decline in the surrounding area. In areas in which more than one resource project are in close proximity, projects could be attempting to obtain a licence for the same water. Again this may lead to an inefficient allocation of water resources and potentially increase the price of water entitlements especially in water systems with thin markets.

Geographical and geological constraints and incorporating new information

Some mining projects occur in remote areas, often in the absence of other industries. In these areas resource plans may not be place or water systems (especially groundwater) are not well understood.

As part of the environmental approval process for a mining project extensive studies are undertaken on the baseline environment, including surface and groundwater systems. These studies are extensive, often taking significant time and resources.

A renewed NWI should provide the flexibility for mining projects to access water systems which may not have resource plans in place or resource plans that are not well developed after obtaining the necessary environmental approvals.

This may involve an out of sequence update to a resource plan or amending a resource plan to incorporate the updated information.

Other constraints should also be recognised such poorly connected groundwater systems that would make the application of NWI compliant regimes and market development unfeasible.

Use of saline or hypersaline water

Much of the water used by the minerals industry is not fit for purposes other than for industrial applications, with the water used by industry ranging in quality from simply non-potable through to hyper-saline groundwater. Access to differing or poor quality water is not well managed under existing jurisdictional regimes and poor quality water supplies are often excluded from water resource plans (e.g. including the development of Murray Darling Basin ‘sustainable diversion limits’).

In other cases, poor quality water in one part of a water planning region is given the same value as high quality water, effectively forcing mining operations to pay premium prices to extract water that has no other beneficial use. These situations create a barrier for new operations to access poor quality water resources which could be beneficially used and create significant economic returns. The use of lower quality water by the minerals industry effectively offsets water use from higher quality sources, leaving it available for those users requiring higher quality water.

The MCA considers that water resource plans and associated extraction limits for a given groundwater unit should be sufficiently flexible to allow for industry access to these water resources where it can be demonstrated that extraction does not significantly impact on other users or the environment. While water resource plans do not explicitly restrict the inclusion of poorer quality water, these sources are yet to be sufficiently recognised in existing planning processes.

The use of poorer quality water should also be encouraged by tailored pricing that reflects its lower value and therefore utility to water users (where appropriate and where it does not render the market inefficient).

Reverse osmosis water treatment plant – Queensland's Bowen Basin[8]

Anglo American has commissioned a reverse osmosis (RO) water treatment plant at the Aquila metallurgical coal mine in Queensland's Bowen Basin.

The RO plant is used to treat 2 megalitres per day of mine affected water to help Anglo American achieve its global sustainability target of reducing its reliance on fresh water by 50 percent by 2030.

The treated water is used on-site for construction and displaces water that would otherwise be sourced locally.

A planned second RO plant will to be used to recycle a further 2.4 megalitres of mine affected water – once Aquila becomes operational in early 2022, more than doubling capacity and helping to reduce the reliance on water from local sources during times of drought.

These water treatment facilities are a $5 million investment by Anglo American.

[8] Australian Mining, Anglo Amercian to halve Aquila water consumption, 15 February 2021.

3. FIT-FOR-PURPOSE WATER PLANNING AND ENTITLEMENTS

Greater integration of the minerals sector under the NWI will require:

- The development of 'fit-for-purpose' water planning, access and entitlement arrangements that accommodate the characteristics of minerals industry water use,encourage water stewardship and enable industry to be better integrated into regional water planning or market arrangements
- Greater flexibility in water resource planning to consider new information and accommodate water resources of varying quality with a price signal that encourages the use of lower quality water.

As part of its leadership in water stewardship the mining industry has made investments to improve water quality, recycle water and/or return water to systems to achieve environmental benefits, offset water use or so it can be accessed by other users.

Case study – Managed aquifer recharge – in Western Australia's Pilbara[9]

Dewatering is required to extract ore lying below the water table. Water removed through this process is called associated water.

To minimise the impacts of dewatering in the Pilbara, Rio Tinto is investigating a process to return water to the aquifer through managed aquifer recharge (MAR).

MAR returns water to groundwater system in a controlled manner. The return mechanism can include infiltration via basins, or galleries or by using injection bores. This process requires a detailed understanding of the hydrogeology in the region and identification of a recharge process that is consistent and aligns with *in-situ* hydrogeological parameters.

As part of water stewardship 2019-2023 target program, Rio Tinto have included a MAR investigation target for the Pilbara. As at March 2021, Rio Tinto had completed 2 of the 6 proposed MAR investigations.

The MCA proposes that a renewed NWI should appropriately recognise water returned to water systems and provided to other water users to recognise and incentivise good water stewardship. For example, 'net water use' access arrangements should be considered to facilitate new, innovative and collaborative approaches to water management such as:

- Managed aquifer recharge
- Water provided under agreement to third party that substitutes water those parties had a right to extract (virtual managed aquifer recharge)
- Water returned to catchments by surface water that can be accessed by downstream users (e.g. through the NSW 'return flow' provisions, which are yet to have enacted)
- Water provided to communities for town water supply.

[9] Rio Tinto, Sustainability case studies – water performance, retrieved on 3 March 2021.

Case study – Water stewardship – South Australia's Olympic Dam[10]

Water is used at Olympic dam for a variety of reasons including drinking water, dust suppression for the mine's drilling process, ore processing and grinding and in the evaporative cooling towers at the Smelter.

To limit impacts on the Great Artesian Basin (GAB), BHP has built a desalination plant and where possible will lower quality water sources, such as saline water for dust suppression, to preserve higher quality water for other uses.

In conjunction with the GAB Sustainability Initiative and separately with landowners BHP caps, repairs and restores uncontrolled third party bores to improve pressure across the GAB.

Extensive consultation would need to be undertaken on the precise design of these arrangements but existing concepts can be applied such as:

- Volumetric measurements
- Priority allocations – based on the likelihood of the provision of the water
- Water quality parameters.

Consideration should also be given as to how improvements and water quality are recognised and incentivised as part of the water planning and allocation framework.

Case study – Glencore's Ulan Coal – Water for downstream users[11]

Glencore's Ulan coal complex in central west New South Wales consists of two underground mines, an open cut mine and a coal preparation plant.

The land is in an important bio-geographic area located at the western and eastern edges of two major regions – the coastal Sydney Basin and the inland south western slopes. It also borders two large river catchments on the Goulburn River flowing to the east and the Talbragar River flowing west.

Treated water from the mine is pumped into Ulan creek that flows into the Goulburn River that provides a water source for downstream users.

[10] BHP, Sustainability case studies – water stewardship at Olympic Dam, retrieved on 3 March 2021.
[11] Glencore, Sustainability Water Management Performance, retrieved on 3 March 2021.

4. IMPROVED REGULATORY EFFICIENCY

MCA recommendation in relation to efficient regulation:

- Improved regulatory efficiency by reconciling water planning regimes with other regulatory frameworks and working to eliminate duplications, overlaps and inconsistencies between federal and state/territory regulatory frameworks, aligned to the broader government agenda.

The MCA notes the Productivity Commission in its recent study report on resource sector regulation found:

> There is considerable scope to improve regulatory processes and reduce unnecessary burdens to encourage resources investment without diluting requirements to mitigate impacts on the environment, heritage, worker safety, landowners and communities.

And:

> Notwithstanding recent worthwhile initiatives, regulatory processes in the resources sector remain unduly complex, duplicative, lengthy and uncertain, and may be becoming more so.[12]

The MCA supports efficient regulation that reduces uncertainty, cost and delay on job-creating mining projects while maintaining or improving environmental outcomes.

Case study – Queensland's Model Mining Conditions

The Queensland Government's model mining conditions reduces uncertainty, cost and delay.

The Productivity Commission recently identified Queensland's Model Mining Conditions as leading practice, stating:

> The use of standard conditions for standard risks can deliver efficiencies to approval processes. Queensland's Model Mining Conditions are leading practice.[13]

Importantly, these conditions include managing impacts on groundwater.

In a renewed NWI, jurisdictions should be encouraged to review existing regulatory frameworks in consultation with the community and industry to eliminate duplications, overlaps, and inconsistencies.

There is a role for this review in the NWI because it is an area of significant overlap with the Australian Government and states or territory governments.

The MCA notes the recent independent review led by Professor Graeme Samuel AC into the EPBC Act recommended:

> The water Matters of national environmental significance (section 24D/24E) should be amended to apply only to cross-border water resources. Any action that is likely to have a significant impact on cross-border water resources should be subject to the trigger. Restrictions should be removed where they prevent other parties from being accredited to undertake approvals of proposals assessed under the water trigger.[14]

Whilst reviewing regulatory process should be a priority, appropriate Regulatory Impact Statements should also be conducted to ensure the costs and benefits of the reform are well understood and to identify any unintended consequences.

[12] Productivity Commission, Resources Sector Regulation, November 2020, page 2.
[13] Productivity Commission, Regulation of the resources sector, November 2020, page 42.
[14] Independent Review of the EPBC Act – Final Report, October 2020, page 26.

5. OTHER KEY MATTERS

The MCA supports:

- Greater recognition of Aboriginal and Torres Strait Islander people's rights, interests and knowledge in water access and planning arrangements
- A water planning and entitlements framework that is appropriately responsive to the impacts of climate change, enhancing certainty to water users.

Indigenous access to water

The renewal of the NWI provides an opportunity to more fully recognise the rights and interests and knowledge of First Nations Peoples in the water planning process.

More than 60 per cent of operating mines are near Indigenous communities. The minerals industry recognises that Aboriginal and Torres Strait Islander people have rights and interests in relation to the lands and waters to which they have a special connection, as well as the right to self-determination and autonomy in local affairs. The minerals industry is committed to genuine dialogue, respect and support for the aspirations of Aboriginal and Torres Strait Islander peoples.

At a project level, the minerals industry has had significant experience in working with Traditional Owners to understand cultural water use and aspirations. This may complement broader work to support local cultural, social and economic aspirations.

To support a practical national approach the MCA stands ready to work with the Committee on Aboriginal Water Interests and individual jurisdictions on how to appropriately respect and support Indigenous water rights as part of the new water framework.

Climate change

In 2020, the MCA launched its Climate Action Plan as a demonstration of the ongoing commitment by the Australian minerals industry to decarbonise the economy and address climate change.[15] The MCA Climate Action is made up of 10 actions to support three core objectives:

- Enabling the potential of technology to decarbonise the minerals sector
- Increasing transparency in reporting
- Sharing of practical knowledge on climate responses.

A key component of the Climate Action Plan is supporting local adaption to minimise the impacts of a changing envronment. The minerals industry acknowledges that climate change impacts should be included in water resource planning and entitlement frameworks.

Changes to resource availability will have distributional impacts so it is important that review processes are open and transparent including all water entitlement holders and other stakeholders. Any review needs to acknowledge the large and long-term investments made by the minerals industry, and water allocation/entitlement security required where this aligns with the intent of the NWI.

[15] Minerals Council of Australia, Climate Action Plan, June 2020.