



# Draft NSW Water Strategy

## NSW Minerals Council Submission – [REDACTED]

### Introduction

The NSW Minerals Council (NSWMC) is the peak industry association representing the NSW minerals industry. NSWMC has more than 90 members including mineral explorers, mining companies and associated service providers.

NSWMC welcomes the preparation of the Draft NSW Water Strategy (Draft Strategy). Long term planning is crucial to ensure economic, environmental, social and cultural objectives can be met in the context of increasing climatic variability and potentially increasing demand for water.

### Mining is a relatively small user of water

As the Draft Strategy highlights, water is a crucial input into mining operations. However, mines use a relatively low volume of water across the state and have implemented a range of measures to reduce demand for fresh water resources, including recycling water and using alternative sources of lower quality water such as saline groundwater and treated effluent.

While mines are relatively small users of water, they are large employers and their economic impact extends into more than 8,000 supplier business across the state. As a result, mining operations form the economic backbone of many regional areas and their ongoing operation during the recent drought helped maintain vital economic activity.

### Comments on the Draft Strategy

The Draft Strategy outlines a comprehensive set of actions across the seven priority areas that will help secure water supply in the future.

Significant resources will be required to deliver all the actions in the Draft Strategy and the Regional Water Strategies that are being rolled out across the state. To ensure the strategies remain relevant, the NSW Government will need to ensure that the final set of actions are manageable and the agencies have the resources and capacity to effectively deliver them.

Overall, the actions are sound and NSWMC has no objections to what is proposed. However, we have identified two actions that are a high priority for the NSW minerals industry that we recommend are reflected in the final strategy:

- **Efficient administration of the regulatory framework** – A source of ongoing frustration for the minerals industry has been delays, uncertainty and complexity in the water licensing and approvals framework. The inefficiency of the current administrative arrangements have had the effect of delaying projects, diverting resources, and inhibiting the ability to respond to changing conditions and implement water security strategies. NSWMC recommends that the final strategy includes an action relating to the delivery of a simpler, more transparent and more efficient regulatory and administrative framework that is attuned to water users' needs.

- **Development of a return flows policy** – A return flows policy would allow net water accounting for licence holders who:
  - discharge water back into the environment, subject to conditions such as water quality criteria
  - provide water to other licence holders as an alternative to water extraction from the environment
  - take water from a water source and return it soon after for operational reasons.

A well-designed policy could create incentives for better use of excess water stored on mine sites and ensure that water licensing requirements only reflect net take from a water source. An effective return flows policy would help drive more efficient use of existing water resources, helping to ensure the sustainability of the industries and communities that rely upon them.

NSWMC welcomes the opportunity to comment on the Draft Water Strategy and can provide further details on the issues raised in this submission if required.

**NSW Minerals Council**

