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SENATE

Wednesday, 17 June 2009

**Water**

**Senator LUDLAM** (2.22 pm)—My question is to the Minister for Climate Change and Water, Senator Wong. I refer to the rapid push by the mining industry into prime agricultural land in New South Wales and Queensland for the purpose of exploration for minerals. My question today relates in particular to farming communities in the Liverpool Plains region of New South Wales. Given recent exposures of BHP's exploration and drilling practices in this region, which have been determined to be unsuitable for minerals deposits interspersed with an aquifer structure, my question is: how does the minister intend to protect these groundwater resources that form part of the upper Murray-Darling catchment system, particularly given that the New South Wales government has failed to match the federal government's 10 per cent down payment for the water study?

**Senator WONG**—I thank Senator Ludlam for the question. This is an issue that was raised I think in the context of discussion on the water bill last year. Obviously the government is aware of the importance of groundwater resources for a range of reasons, including Australia's agricultural production. We are also aware, and I am personally aware, of concerns amongst the community that potential mining developments may impact on groundwater resources. Obviously, the regulation of mining activities per se, including impacts on groundwater, is the responsibility of state governments. However, as you reference, the Commonwealth has announced a contribution of up to \$1½ million, being a one-third contribution towards a joint study to provide scientific information on the surface water and groundwater resources specifically in the Namoi catchment. As I previously outlined when I announced the funding, the study is intended to advance the understanding of the quantity and quality of these water resources, benefiting community awareness and informing decision making by all governments and stakeholders.

In addition, the government has, through the National Water Commission, funded a multijurisdictional study on the potential local and cumulative impacts of mining on groundwater resources. This study, which is separate to the study I referenced earlier, will develop national tools and methodologies to understand and manage the potential impacts of mining on water resources.

As I am sure the senator is aware, mining proposals within the Murray-Darling Basin or elsewhere are state government responsibilities. It is the case that the Australian government is of the view that, before

such proposals with potential to impact on water resources are approved, they should be properly assessed, including in relation to their potential impact on third parties.

**Senator LUDLAM**—I thank the minister for her answer and I ask a supplementary question. Minister, you addressed the fact that potential mining activities could have impacts on the environment, on arable land and particularly on water resources. My question went to the fact that current exploration practices are actively damaging these water resources, so the issue of mining down the track is one thing; the issue of exploration occurring right now is in fact the harming the water resources of the region. So I ask whether the study that you refer to has actually commenced—the one that the federal government has put a down payment on—and whether it is assessing the current damage being caused by existing exploration practices. Will the minister ensure that there will be no damage to the water resources of this region due to current exploration practices?

**Senator WONG**—As I outlined to Senator Ludlam before—and I appreciate he has a strong view about these issues, as do a number of senators in the chamber—the issue of the granting of exploration licences is a matter for state governments. It is reasonable for the Commonwealth to assist in trying to develop better methodology and better information on how to assess the impact on groundwater, because this is an area where I think it has to be said that more work should have been done previously. In relation to the \$1½ million contribution, as yet I do not believe that has commenced. I have corresponded with my counterpart in New South Wales in relation to New South Wales funding of this matter and I am awaiting confirmation of those arrangements. In relation to the issue of exploration licences, I have not been advised of any particular issue in relation to exploration licences at this point, but again I mention that that is obviously a state government matter. *(Time expired)*

**Senator LUDLAM**—Thank you again, Minister, for the answer to the supplementary question. My further supplementary question effectively is whether or not the minister will call for an immediate halt to minerals exploration in the Liverpool Plains region, using the corporations power or such other instrument as is available to the Commonwealth, until such time as safe practice for those water resources can be established and validated. The reason for this question effectively is that these matters were heard in the New South Wales Mining Warden's court and it was established that the drilling practices are establishing connectivity between the different aquifers that are present beneath

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the Liverpool Plains and actively damaging these water resources at the present time.

**Senator WONG**—Essentially, I think the tenor of Senator Ludlam's question is: will the Commonwealth override and take control of all mining operations in Australia via the corporations power? That is essentially the tenor of the question. That is not the case. We have put forward funding to support much improved, we hope, methodology and much improved information about the impact on groundwater. I have answered the question in relation to exploration licences and I have also referred to the fact that obviously exploration licences are fundamentally a state responsibility. We do have a view about the importance of state governments ensuring that these issues are properly assessed. I have said that publicly. I have said that in this place and I have said that in the context of the debate in this place on the Water Bill, and for that reason we have also put money on the table to enable that kind of study to proceed.