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Senate Standing Committees on Environment and Communications

https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/EPRBill48P

14 November 2025

Dear Committee Chair, Deputy Chair and Members;

Re: Environment Protection Reform Bill 2025 and six related bills

The Australian Aluminium Council (the Council) represents Australia's bauxite mining, alumina refining, aluminium smelting and downstream processing industries. The Council and its Members have been advocating for some time to expedite Environmental Protection and Biodiversity Conservation (EPBC) Act reforms, as part of a suite of policy reforms required to enable Australia's vertically integrated aluminium industry to secure existing facilities and unlock future opportunities.

Australia's historic advantage in the aluminium industry stemmed principally from its substantial high quality bauxite reserves. The ongoing success of Australia's aluminium industry requires an integrated system of policies, including those which support ongoing approval to mine Australia's bauxite reserves and provide timely approvals necessary for the energy transition. The industry directly employs more than 21,000 people, including 6,600 full time equivalent contractors. It also indirectly supports a further 55,000 families predominantly in regional Australia. The integrated industry contributes around \$18 B to Australia's GDP.

The Council supports reform to the EPBC Act which deliver both more effective and efficient approvals processes and improved outcomes for Australia's environment. Elements of the reform package that the Council and its Members support in-principle include the introduction of a National Interest Proposal, 28-day appeals limit, the ability to undertake preliminary works, primacy of the Safeguard Mechanism to regulate GHG emissions and the establishment of a restoration contributions fund. While there have been some practical improvements to the EPBC Act under the current draft, amendments are required to ensure that it delivers both better environmental outcomes and is workable for business. Key issues include but are not limited to the definition of unacceptable impacts and removal of aspects of assessment pathways.

The Council welcomes the opportunity to make a submission to this inquiry into the Environment Protection Reform Bill 2025 and six related bills (the Inquiry). Noting that parliamentary processes for the year are still underway, the Council is providing this early submission to the Inquiry, and the Council intends to make a more detailed submission before 5 December 2025. This submission is in 3 parts:

- A. This cover letter;
- B. Preliminary issues for consideration, should the legislation be passed in the current sitting year; and
- C. Background on the importance of the sector to Australia and the Government's Future Made in Australia Agenda.

The Council would welcome the opportunity to appear at one of the Public Hearings Scheduled for November 2025, or any subsequent dates.

Kind regards,

Marghanita Johnson
Chief Executive Officer
Australian Aluminium Council

Section B – Preliminary Issues

Note – There has been insufficient time for full amendments to be drafted for all issues.

Issue	Impact	Recommended solutions or amendments
Unacceptable impacts	<p>Actions with 'unacceptable impacts' would not be allowed to be approved.</p> <p>The current definition of unacceptable impacts is not sufficiently clear as to distinguish the test from a "significant impact", leaving it open to subjective interpretation or legal challenge.</p> <p>The proposed definitions of unacceptable impacts are ambiguous and could be applied more broadly than intended, precluding significant portions of the landscape, potentially including large parts of South Western Australia and Cape York.</p> <p>Actions must:</p> <ul style="list-style-type: none"> - pass the unacceptable impacts test - pass the 'net gain' test; and - not be inconsistent with NES <p>Minister must consider</p> <ul style="list-style-type: none"> - proponents application of the mitigation hierarchy (must avoid, mitigate BEFORE offsets) 	<p>There needs to be a clear definition with a clear threshold which differentiates between significant impact and unacceptable impact.</p> <p>One solution is to adopt a single definition for all MNES which provides clarity and removes the requirement for further definition qualifiers which increase interpretive risk. Alternatively, omit the definition of 'unacceptable impact' from the legislative amendments and include this component of the reforms in national standards, following a transparent consultation process.</p>
Removal of flexible assessment pathways	<p>The new pathways include a 'streamlined assessment pathway' and an EIS pathway and will replace three existing pathways:</p> <ol style="list-style-type: none"> 1. Assessment on referral information, 2. Assessment on preliminary documentation 3. Assessment on public environment report. <p>There are no statutory criteria for when the streamlined assessment pathway applies. The streamlined pathway may practically not be open to most resources projects, and it is anticipated that much assessment work would need to be front ended (completed prior to referral) to enable the streamlined assessment pathway to be an option. This moves risk onto proponents.</p> <p>The legislative provisions do not incentivise the application of the streamlined assessment pathway. Complex developments, such as mining, are unlikely to have access to the new streamlined pathway. Removal of existing low mid-level assessment pathways will force all but minor developments to use the most complex, longest and most costly pathway which will result in a full EIS.</p>	<p>Retain all existing assessment pathways, alongside the new streamlined pathway.</p> <p>The streamlined assessment pathway should be deemed to apply, unless the Minister makes a decision that another assessment approach is necessary to make an informed decision on the referred action. Alternatively, statutory criteria should be included for when the streamlined assessment pathway must apply.</p> <p>Prioritise accreditation of both State/Territory assessment and approval frameworks.</p>

Compliance & enforcement powers including Stop Work Orders	<p>Environment Protection Orders (EPOs) are exempt from the natural justice hearing rule, meaning once issued by the EPA there is no guaranteed recourse. They could impose significant financial and operational implications on a project without commensurate justification.</p> <p>High penalties for administrative breaches as opposed to egregious acts, unconstrained environmental protection orders (EPOs) will create a significant investment risk.</p>	<p>In the interest of natural justice there needs to be clarity regarding the application of EPOs, including an opportunity for the Minister to have oversight of an EPO decision supported by clearly documented evidence that is subject to an expedited review.</p> <p>New penalty provisions should apply only to egregious breaches or be tiered commensurate with the level of offence. EPOs should be limited to 14 days and must have an evidentiary basis. Natural justice provisions must be included.</p>
Net gain	<p>The legislative test is ambiguous and requires further consideration to determine how it will be measured.</p>	<p>The bills should not include a net gain test, and instead, this should be considered through subsequent consultation associated with the development of subordinate legislation and regulations</p>
Climate disclosures	<p>New disclosure requirements are potentially duplicative and could open up new avenues for legal challenge.</p> <p>Scope 1 and Scope 2 GHG emissions as well as mitigation and abatement measures must be included in proposals - that go to the assessment officer but are not to be part of the assessment. By providing information in the assessment package, it infers it is assessable.</p>	<p>Remove the requirement to submit this information in the proposal. Instead, the intended objective of emissions transparency could be provided by inserting the new provision in the Environment Information Australia (EIA) Bill to require this information to be submitted to EIA and separate it from the assessment.</p>
EPA governance	<p>The Minister - as an elected representative - is best placed to consider environmental, economic and social factors holistically in the public interest.</p> <p>It is vital for the credibility and support for the EPA that there are greater safeguards preventing any future delegation of approvals decision making, and that principles of natural justice apply to its compliance and enforcement remit.</p>	<p>The Government's statement of expectations must be binding, and the CEO must be removable for failure to follow the Government's expectations.</p> <p>There should be a decision review mechanism for the EPA. The legislation could be further tightened to safeguard the intent of Ministerial assessment decision powers with delegation to the Department. There is also an opportunity to give the Minister greater flexibility not to take action during an assessment.</p>
EPA Assurance	<p>The EPA will provide assurance of accredited arrangements, but not for Commonwealth assessments. This harms public trust in the operation of the Act.</p>	<p>The assessment function should remain in the Department rather than moving to the EPA, which allows the EPA to audit all decision making.</p>

Section C – Aluminium Industry Background

Without mining, the world cannot reach net zero by 2050, and the minerals required to achieve our decarbonisation goals are of such magnitude that to reach net zero, we will need more mining, not less. While seeking to maintain Australia’s highest standards for ESG, it is also worth considering that global demand will continue to be met from elsewhere if not provided by Australia. Aluminium is one of the commodities most widely used in the global transition to a clean energy futureⁱ. It is also recognised for its importance to both economic development and low emissions transition. Aluminium use is highly correlated with GDP, so as countries urbanise, per capita use of aluminium increases. It is expected that by 2050, global demand for aluminium will nearly doubleⁱⁱ. While an increasing proportion will be met through recycled aluminium, there will still be a need for increased production of primary aluminium requiring a comparable increase in global bauxite mining and alumina refining rates.

The aluminium industry has been operating in Australia since 1955, and over the decades has been a significant contributor to the nation’s economy. Earnings for Australian exports of aluminium, alumina and bauxite are expectedⁱⁱⁱ to rise from \$18 billion in 2025–26 to \$19 billion in 2026–27. More than \$14B of this comes from the alumina and aluminium industries, as value adding mineral processing sectors. The industry includes six bauxite mines which collectively produce over 100 Mt per annum making Australia one of the world’s largest producers of bauxite. Australia is the world’s largest exporter of alumina with five alumina refineries producing around 18 Mt per annum of alumina. Australia is the seventh largest producer of aluminium, with four aluminium smelters and additional downstream processing industries including more than 20 extrusion presses. Aluminium is Australia’s top manufacturing export. The industry directly employs more than 21,000 people, including 6,600 full time equivalent contractors. It also indirectly supports a further 55,000 families predominantly in regional Australia. The integrated industry contributes around \$18 B to Australia’s GDP.

Most of the world’s bauxite comes from surface mines in tropical and sub-tropical areas, where bauxite typically occurs in extensive, relatively thin near-surface layers, normally beneath a few metres of overburden. Because bauxite deposits often cover a very large area, bauxite mining involves disturbance of comparatively large land areas compared to the mining of other minerals, though for a shorter time. Australian bauxite deposits have high grades and are shallow and relatively easy to mine. Bauxite mining is well suited to progressive rehabilitation.

Australia is one of the very few countries which has bauxite mining, alumina refining, aluminium smelting and aluminium extrusion industries, making aluminium one of the few commodities in which the raw materials are mined and are processed all the way to a consumer product right here in Australia. However, the current capacity remains vulnerable to both domestic policy and geopolitical risk. While seeking to maintain Australia’s highest standards for ESG, it is also worth considering that global demand will continue to be met from elsewhere if not provided by Australia. This may increase the net global impact of mining, compared with continued development in Australia. While Australia has been the world’s largest producer of bauxite and has 22% of global reserves, Guinea has 27% of global reserves and is now the world’s largest producer of bauxite and exporter of bauxite, principally to China. Whilst Western world production has been falling, China has secured its supply of bauxite by significant investment in bauxite mines in Guinea and has constructed low-cost alumina refineries on its coast to reduce freight costs. Indonesia is also increasing capacity across bauxite, alumina and aluminium. Recent analysis^{iv} undertaken by the Council found that Indonesia can approve and build an integrated bauxite mine and alumina refinery faster than Australia can approve a bauxite mine. Australia’s mineral exports, such as bauxite and alumina, rely on bulk freight which has also undergone a step change in its volatility, exposing the industry to vulnerabilities. The long term future for the sector in Australia is positive, but it is under near term stress.

ⁱ <https://www.worldbank.org/en/topic/extractiveindustries/brief/climate-smart-mining-minerals-for-climate-action>

ⁱⁱ International Aluminium Institute High Substitution Scenario

ⁱⁱⁱ <https://www.industry.gov.au/sites/default/files/2025-06/resources-and-energy-quarterly-june-2025.pdf>

^{iv} <https://aluminium.org.au/wp-content/uploads/2024/10/241010-AAC-Upstream-Vulnerabilities-Report-FINAL.pdf>