Parliamentary inquiry into: "*Factors Shaping Social Licence and Economic Development Outcomes in Critical Minerals Projects Across Australia*".

Submission by: Dr Dora Pearce

Summary:

Ecological and environmental harms due to mining for critical minerals are unacceptable to rural communities across Australia. Critical minerals are currently in demand globally to sustain renewable energy requirements and reduce dependency on fossil fuels, but fast-tracking of mining proposals may pose risks to environmental safeguards. Environmental regulation by responsible government agencies is of critical importance to ensure rigorous management and monitoring of mining operations in the short term, and to protect public health, food production industries, and surface and ground water resources in the long term. A social licence to operate will only be gained if the concerns of potentially impacted communities are judiciously met.

Responses to factors for consideration:

i. *The effectiveness of engagement practices with local communities, Traditional Owners, and other stakeholders.*

Effective engagement with rural populations, whether residing in townships or on sparsely populated agricultural or horticultural land, must provide transparent and comprehensive information and adequate resources and timelines to facilitate understanding of potential risks and long-term impacts, and must not be coercive or conflict with peak activity periods. Community consultation is not optional but the DUTY of mining licence holders throughout exploration, operation and rehabilitation[1].

ii. *How critical minerals projects contribute strategically to regional and national economic development.*

Economic contributions to rural communities from critical mineral mining operations may be limited to unskilled employment opportunities and small donations. Conversely, economic losses may extend to irreparable damage to fertile soils, depletion and contamination of essential surface and ground water resources, and loss of productivity. Regulatory failure to enforce compliance with environmental management and monitoring around mining operations may also contribute to increased disease burden costs among exposed communities[2].

iii. *Opportunities to strengthen workforce participation, skills development, and employment pathways, particularly in remote and Indigenous communities.*

Predominantly foreign ownership of mining companies operational in Australia, and importation of suitably skilled workers, may limit employment and skill development opportunities in remote and Indigenous communities, unless regulatory conditions are prescribed and enforced[3,4].

iv. *The role of state, territory, and local governments in supporting socially and economically sustainable development.*

Assessment of mining proposals is complex and requires multidisciplinary and independent technical expertise. But legislation and regulatory frameworks for approving and monitoring mining impacts through exploration, operation, closure and rehabilitation phases are subject to inconsistencies at various levels of government[5]. While local governments may be most familiar with environmental and social contexts, their technical and human resourcing capacity may be limited[6].

v. Options for improved coordination between jurisdictions and the Commonwealth.

Federal legislative and regulatory frameworks for extractive industries should apply uniformly across Australia to ensure the provision of independent and multidisciplinary technical expertise on evidence-based assessments and decisions. Duplication of these roles at state level incurs additional financial costs. Responsible authorities at state level must ensure adherence to federal laws and enforcement of regulatory compliance with risk management strategies throughout mine life cycles, including closure and rehabilitation. Local government must be adequately funded and resourced if it is to have a supporting role in protecting the environmental health and wellbeing of communities living in close proximity to, and hence at risk from, mining operations.

vi. Any other related matters that may assist the Committee.

Economic considerations must include a cost-benefit analysis of potential financial profits from extraction of critical minerals versus:

- economic losses due to irreversible contamination and damage to fertile agricultural and horticultural land and water resources, hence risk to food security;
- disease burden cost in communities exposed to offsite dispersion of toxic dust and contaminated water[2].

Community vulnerabilities must also be considered in relation to the adverse environmental health impacts of mining, requiring:

- enforcement of compliance with risk mitigation strategies and ambient air monitoring around mine sites to ensure that the human right to a safe, clean, healthy and sustainable environment is not violated for communities living in close proximity[7];
- that Human Health Impact Assessments be conducted at baseline before mining commences and at regular intervals to detect predicted or unforeseen adverse disease outcomes due to environmental exposures[2,8].

Conclusion:

Critical minerals are currently in demand globally to sustain renewable energy requirements and reduce dependency on fossil fuels, but fast-tracking of mining proposals may pose risks to environmental safeguards. Environmental regulation by responsible government agencies is of critical importance to ensure rigorous management and monitoring of mining operations in the short term, and to protect public health, food production industries, and surface and ground water resources in the long term.

A social licence to operate will only be gained if the concerns of potentially impacted communities are judiciously met, and ecological and environmental harms due to mining for critical minerals are unacceptable to rural communities across Australia.

I thank the *Standing Committee on Primary Industries* for the opportunity to comment on issues associated with the expansion of critical mineral extraction and its impacts on rural communities.

Yours sincerely,

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