



Committee Secretary  
House of Representatives Standing Committee on Primary Industries  
Submitted via online portal: [Lodge my submission – Parliament of Australia](#)  
31 March 2026

Dear Committee

## **Inquiry into factors shaping social licence and economic development outcomes in critical minerals projects across Australia**

### **1. About the Central Land Council**

1. The Central Land Council (CLC) is a corporate Commonwealth entity established under the *Aboriginal Land Rights (Northern Territory) Act 1976 (Cth) (ALRA)*. CLC is also a Native Title Representative Body established under the *Native Title Act 1993 (Cth) (NT Act)*. One of CLC's statutory functions under the ALRA is to ascertain and express the wishes of Aboriginal people living in CLC region regarding the management of Aboriginal land and appropriate legislation concerning that land. As such, CLC has a longstanding mandate to ascertain, and advocate for, the rights, interests, and aspirations, of Traditional Owners<sup>1</sup> and other Aboriginal people in the southern half of the Northern Territory.
2. Pursuant to ALRA, approximately 50% of the Northern Territory and more than 85% of the Northern Territory coastline is now held by Aboriginal Land Trusts on behalf of Traditional Owners. A further 253,886km<sup>2</sup> of land and water is also held under native title. Of the approximate 780,000 km<sup>2</sup> of land covered by the CLC region, more than half (417,318 km<sup>2</sup>) is Aboriginal land under the ALRA. In addition, rights have been asserted and won under the NT Act and Traditional Owners have succeeded in obtaining rights to small areas known as Community Living Areas under Northern Territory legislation.

### **2. Overview of CLC's position**

3. A majority of critical minerals projects and deposits are located on Aboriginal freehold land or native title land.<sup>2</sup> As the Australian Government identified in its *Critical Minerals Strategy 2023-2030 (Critical Minerals Strategy)*, the development of the critical minerals sector is therefore an opportunity to ensure that the associated socio-economic benefits flow through to Australia's First Nations peoples.
4. The realisation of these opportunities is dependent on the Australian government:
  - a) Developing a robust legislative framework for this sector that mandates meaningful engagement and benefit-sharing arrangements with First Nations peoples, without being administratively burdensome for First Nations peoples or proponents.

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<sup>1</sup> CLC notes that the terms of reference only expressly addresses engagement with 'Traditional Owners'. For this submission, CLC has assumed that the reference to 'Traditional Owners' is intended to encompass all types of Aboriginal landowners, including 'traditional Aboriginal owners' as defined in ALRA, and 'native title holders' as defined under the NT Act. CLC has used the term 'Traditional Owners' in this submission in this context.

<sup>2</sup>See J Burton et al, 'Mapping Critical minerals Projects and Their Intersection With Indigenous Peoples' Land Rights in Australia' (2024) 113, *Energy Research and Social Science* (accessed on 13 March 2026).

- b) Making investment decisions that enable First Nations peoples to negotiate with proponents and participate in the sector from a strong, equitable position.
5. CLC therefore welcomes the opportunity to make a submission to the House of Representatives Standing Committee on Primary Industries regarding its '*Inquiry into the factors shaping social licence and economic development outcomes in critical mineral projects across Australia*' (**Inquiry**). This submission focuses on the following aspects of the Inquiry's terms of reference:
- a) The effectiveness of engagement practices with local communities, Traditional Owners, and other stakeholders.
  - b) How critical minerals projects contribute strategically to regional and national economic development.
  - c) Opportunities to strengthen workforce participation, skills development, and employment pathways, particularly in remote and Indigenous communities.
  - d) The role of state, territory, and local governments in supporting socially and economically sustainable development.
  - e) Options for improved coordination between jurisdictions and the Commonwealth.
6. These terms of reference are interrelated. The effectiveness of engagement practices with respect to Traditional Owners and other Aboriginal people is directly relevant to whether, and how, critical minerals projects contribute to the economic development of Aboriginal communities and strengthen the workforce participation and employment pathways in these communities.

### 3. Summary of recommendations

Recommendation	
<b>Effectiveness of engagement practices with Traditional Owners</b>	
<b>Recommendation 1</b>	Amend key laws to clearly embed Free, Prior and Informed Consent (FPIC).
<b>Recommendation 2</b>	Fast-track publication of best-practice guidance on FPIC and Traditional Owner engagement. This should set clear expectations on (among other things) information-sharing with Traditional Owners, and culturally appropriate engagement.
<b>Recommendation 3</b>	Government funding for a project should be contingent on a proponent demonstrating evidence of FPIC, including by way of a negotiated agreement.
<b>Recommendation 4</b>	Best-practice FPIC and Traditional Owner engagement guidance should encourage proponents to include, as a base requirement, regular agreement reviews, the establishment of standing liaison committees, and the engagement of local ranger groups for relevant environmental management and compliance monitoring activities as appropriate.
<b>Recommendation 5</b>	Government funding for a critical minerals project should be contingent on the proponents providing evidence of a negotiated agreement that includes appropriate mechanisms for Traditional Owner involvement and joint-decision making for the life of the project.

<b>Recommendation</b>	
<b>Recommendation 6</b>	All applicants for public funding should be required to submit an Aboriginal engagement plan, in addition to an agreement with Traditional Owners, as a pre-condition to accessing funding.
<b>Recommendation 7</b>	Amend the current provisions in the NT Act regarding mining-related infrastructure to ensure that native title holders have control to the standard of FPIC over infrastructure development on their lands.
<b>Recommendation 8</b>	The Australian Government must provide permanent and adequate resourcing to Representative Bodies ( <b>NTRBs</b> ) and Prescribed Bodies Corporate ( <b>PBCs</b> ) to support capacity building for community-led development projects that can result from critical mineral developments.
<b>Opportunities to strengthen workforce participation</b>	
<b>Recommendation 9</b>	The Australian Government should follow through with the \$30 million remote training hubs ( <b>RTH</b> ) plan, and therefore lift the availability of vocational education and training ( <b>VET</b> ) and provide opportunities for work readiness including the development of foundational-skill building programs.
<b>Recommendation 10</b>	Proponents should be encouraged to work with the Desert Peoples' Centre which has been contracted to lead a consortium of registered training organisations to support the delivery of training across the RTH to develop and deliver work-readiness, workplace development, and employment procurement programs that are tailored for their projects and the local Aboriginal community in question.
<b>Recommendation 11</b>	The Australian Government should ensure the new remote Australia employment service ( <b>RAES</b> ) program is focused on supporting local people into real jobs and that providers of future remote employment services perform far better in engaging and adequately preparing people for job pathways in their community
<b>Recommendation 12</b>	Government should facilitate proponents to set legally binding targets around local Aboriginal employment. Proponents should be required to report on their progress in meeting these <i>local</i> employment targets (and not only <i>total</i> Aboriginal employment which is the current norm).
<b>Government role in supporting socially and economically sustainable development</b>	
<b>Recommendation 13</b>	Australian Governments at all levels should conduct a review of and introduce any necessary reforms to environmental laws applicable to critical minerals projects to ensure robust protections are in place to mitigate the environmental, social and cultural impacts of these projects.
<b>Recommendation 14</b>	The EPBC Act should be further amended such that the 'water trigger' applies to all high-water consuming projects such as critical minerals, and not just coal and fracking.

Recommendation	
<b>Recommendation 15</b>	The Northern Territory Government must incorporate the cost of sustainable water planning and associated research into the price of water fees and charges, so that the costs of sustainable water planning can be recovered from water users.
<b>Recommendation 16</b>	Environmental impact assessment of critical minerals projects should be required to include a hydrogeological assessment of the projected groundwater draw down impacts across the life of the project with respect to impacts on groundwater dependent ecosystems and cultural values including sacred sites.
<b>Recommendation 17</b>	Streamlining of approvals processes should not be at the expense of robust environmental and cultural heritage protections.
<b>Options for improved coordination between jurisdictions</b>	
<b>Recommendation 18</b>	The Commonwealth must retain decision-making powers under the EPBC Act and revoke the current bilateral agreement that delegates assessment processes under the Act to the Northern Territory EPA.
<b>Recommendation 19</b>	Reform to the <i>Aboriginal and Torres Strait Islander Heritage Protection Act 1984</i> (Cth) and any further reform to the EPBC Act should ensure best-practice and consistent cultural heritage and environmental protections at both the Federal and Territory level.

#### 4. Effectiveness of engagement practices with Traditional Owners

7. While the growth of Australia's critical minerals sector has been identified as essential to the global 'net zero' transition, this should not be at the expense of Traditional Owners' rights and interests. Below, we have identified ways to ensure effective and meaningful engagement with Aboriginal people.
8. The Critical Minerals Strategy references a roundtable to be organised on best practice Indigenous engagement for critical minerals projects. CLC would welcome the opportunity to participate in this roundtable.

##### 4.1 Embed FPIC principles as pre-requisite for social licence

9. It is not novel to say that post Juukan Gorge, there are clear community and shareholder expectations that proponents obtain FPIC when conducting projects that are likely to affect Traditional Owners and Aboriginal communities.
10. However, these expectations have yet to be properly embedded within the applicable legislative and regulatory frameworks. In practice, this has meant that the application of FPIC principles – including the effectiveness of any engagement with the relevant Traditional Owners and Aboriginal communities – is very much dependent on the proponent and the underlying land tenure in question.
11. Under ALRA, companies seeking to conduct exploration activities on Aboriginal freehold are first required to obtain the consent of the Traditional Owners, through the relevant Land Council, and to negotiate with that Land Council on the terms and conditions of such consent. That consent is a precondition to the grant by the Northern Territory of any exploration titles over Aboriginal

freehold. Similar provisions apply for mining activities but the ability for Traditional Owners to withhold consent has been removed if they previously consented to exploration.

12. The NT Act currently fails to ensure FPIC is upheld; whether it occurs depends more on the identity of the proponent than legal requirements of the NT Act. The fact that native title holders have no power to withhold consent, the Northern Territory always applies the expedited procedure for mineral exploration and proponents can apply for a determination from the National Native Title Tribunal if an agreement is not reached, means that the negotiations cannot be said to be free from coercion. CLC acknowledges the ongoing review into the future acts process under the NT Act, and hopes that any reform pursued because of this review enshrines strong FPIC requirements.
13. In CLC's experience:
  - a) Even where proponents are required under ALRA to obtain consent from and engage with Traditional Owners and Land Councils, this can be treated as a box-ticking exercise, with little recognition of the priorities, conveniences, remote regional locations, cultural responsibilities and practices, and resourcing limitations, of these Traditional Owner groups.
  - b) Additionally, proponents can be reluctant to share core information in relation to their project, including feasibility studies and impact assessments, even where such information is requested on behalf of the Traditional Owners – therefore inevitably placing them in an unequal negotiating position to the proponents.
  - c) Proponents can treat Traditional Owners as mere stakeholders, rather than landowners and stewards, with ancient knowledge of, and cultural and spiritual responsibilities to care for, the land.<sup>3</sup>
14. Traditional Owners are not, and should not be treated as, mere stakeholders. They are landowners, with associated cultural and spiritual responsibilities. As the Kimberley Land Council noted in their submission to the Inquiry, if proponents and Government entities fail to recognise this, it can result in disingenuous engagement with Traditional Owners and Aboriginal communities, and the dilution of their rights.<sup>4</sup>
15. For true FPIC to be obtained, it is essential that Traditional Owners are provided the necessary time to become well-informed, are engaged in a culturally appropriate manner, are free from coercion and undue pressure, are given ample opportunity to negotiate, and have the right to withhold consent, in relation to any critical minerals proposals concerning their land.

**Recommendation 1:** Amend key laws to clearly embed FPIC.

**Recommendation 2:** Fast-track publication of best-practice guidance on FPIC and Traditional Owner engagement. This should set clear expectations on (among other things) information-sharing with Traditional Owners, and culturally appropriate engagement.

**Recommendation 3:** Government funding for a project should be contingent on a proponent demonstrating evidence of FPIC, including by way of a negotiated agreement.

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<sup>3</sup>CLC notes that this Inquiry's terms of reference also appear to conflate Traditional Owners with 'local communities' and 'other stakeholders'.

<sup>4</sup> Kimberley Land Council, Submission 33 to the Senate Standing Committee on Primary Industries, *Inquiry into Factors Shaping Social Licence and Economic Development Outcomes in Critical Minerals Projects Across Australia* (27 February 2026), 7-8 [38].

## **4.2 Agreements should ensure Traditional Owner engagement for the life of the project**

16. Traditional Owner engagement and participation should not end once the project agreement is signed and instead should continue through the life of the project, from the project-design phase through to decommissioning and rehabilitation:
  - a) Projects can evolve post-execution of the agreement and to ensure genuine partnership it is essential that Traditional Owners, as the landowners, are consulted, kept informed of relevant changes, and remain involved in key decision-making throughout the life of the project.
  - b) This recognises Aboriginal stewardship in conservation of Country, and their place-based knowledge, understanding of seasonal systems, and experience operating in remote environments – all of which are currently under-valued by the mining sector.
  - c) This provides Traditional Owners with a ‘compliance monitoring’ role – which is essential for proponent accountability and to maintain trust between proponents and the local Aboriginal communities in which their projects are to be based.
17. One way to achieve this is through the establishment of permanent, paid, project liaison committees that must have significant Traditional Owner membership and meet regularly. Liaison committees have been a feature exploration and mining projects in the CLC region. In CLC’s experience, they are an effective mechanism to ensure Traditional Owners remain informed about the project and are appropriately involved in key decision-making that could affect their land (and therefore, their communities). It is also a valuable opportunity for Traditional Owner capability building. For this reason, CLC considers that the Australian Government should facilitate the establishment of liaison committees in all critical minerals projects.
18. Another key measure is the inclusion of agreement reviews to occur at prescribed intervals. The negotiation period for any such review should be sufficient to allow meaningful consultation with the Traditional Owners.
19. Proponents should also be incentivised to involve local ranger groups on a fee-for-service basis in the conduct of any baseline surveys, monitoring, remediation, or offset activities required to be conducted under their approvals. Regulations made pursuant to section 33A of ALRA would assist with that.

**Recommendation 4:** Best-practice FPIC and Traditional Owner engagement guidance should encourage proponents to include, as a base requirement, regular agreement reviews, the establishment of standing liaison committees, and the engagement of local ranger groups for relevant environmental management and compliance monitoring activities as appropriate.

**Recommendation 5:** Government funding for a critical minerals project should be contingent on the proponents providing evidence of a negotiated agreement that includes appropriate mechanisms for Traditional Owner involvement and joint-decision making for the life of the project.

## **4.3 Government funding should be contingent upon proponents having robust Aboriginal engagement plans**

20. The Australian Government has set up significant investment streams to stimulate Australian corporate involvement in the critical minerals sector. This includes the Critical Minerals Development Program, the Northern Australian Infrastructure Facility (**NAIF**) and funding through the Clean Energy Finance Corporation.
21. Companies seeking to access any public loans, guarantees, grants and equity investments should be required to provide evidence of a robust Aboriginal engagement plan, ideally co-designed with their proposed project’s local Aboriginal communities. These engagement strategies should address the recommendations outlined in this submission including around

genuine FPIC and ongoing Traditional Owner involvement in the project. Traditional owner organisations such as Land Councils and Native Title Representative Bodies should be included in engagement plans and, where Traditional Owners are represented, that should be respected by proponents, not bypassed.

22. CLC notes that the NAIF already mandates project proponents to have an Aboriginal engagement strategy. All other funding streams should contain similar mandates. This is a fundamental step in ensuring that publicly supported projects benefit Aboriginal peoples. It also helps demonstrate whether the projects are delivering value for public money by contributing to Australia's key environmental, social and governance (ESG) objectives (noting that this is identified as a focus area in the Critical Minerals Strategy).

**Recommendation 6:** All applicants for public funding should be required to submit an Aboriginal engagement plan, in addition to an agreement with Traditional Owners, as a pre-condition to accessing funding.

#### **4.4 Strengthen Traditional Owners' consent and negotiation rights regarding mine-related infrastructure**

23. Currently, the NT Act offers reduced avenues for Traditional Owners (native title holders in this circumstance) to negotiate agreements for the construction of mining-adjacent infrastructure, including, relevantly, processing facilities.
24. CLC notes the Australian Government's stated intention, in the Critical Minerals Strategy, to increase Australia's downstream processing capabilities. Bringing such activities onshore carries with it inherent environmental and social risk – e.g. increased water use requirements and contamination risks – which can be significantly different to the risk profile for open-cut or underground mines. In the case of rare earths, the environmental impacts from processing can be greater than from extraction.
25. It is therefore essential that Traditional Owners are given clear rights, aligned with FPIC, to negotiate the conditions on which such related infrastructure is constructed on their lands.

**Recommendation 7:** Amend the current provisions in the NT Act regarding mining-related infrastructure to ensure that native title holders have control to the standard of FPIC over infrastructure development on their lands.

#### **4.5 Invest in Aboriginal corporate entities**

26. While the Critical Minerals Strategy identifies Aboriginal engagement as a key focus area, it does not propose any funding for the realisation of this focus area. Notably, there is no mention of increased funding by the Australian Government to support PBCs, NTRBs, and their representative organisations, through such engagement.
27. This is notwithstanding that:
- a) Most critical minerals projects are likely to be located on Aboriginal freehold or native title land, and as such the Government's Critical Minerals Strategy will likely result in an influx of applications to PBCs and NTRBs.

- b) As has been identified in various public inquiries, PBCs are inadequately funded for the volume of work already being conducted by these entities on behalf of Aboriginal communities.<sup>5</sup>

28. Increased, and sustained funding, is required to enable these bodies to meet the demands of the growing critical minerals sector, and to ensure that Aboriginal communities' voices are appropriately centred in any such growth. PBCs' ability to charge and recover fees for the work they do should be strengthened so that impact on public resources is reduced.

**Recommendation 8:** The Australian Government must provide permanent and adequate resourcing to NTRBs and PBCs to support capacity building for community-led development projects that can result from critical mineral developments.

## 5. Opportunities to strengthen workforce participation plus regional, and national economic development

29. Aboriginal and Torres Strait Islander people comprise almost a third of the Northern Territory's population and Aboriginal people have freehold tenure to over approximately 50% of Northern Territory's land, with much of the remainder subject to native title. Unlike Northern Territory's non-Aboriginal population, Aboriginal people represent a long-term stable remote workforce. Despite this, Northern Territory's Indigenous employment rate remains the lowest in Australia,<sup>6</sup> and there is no indication that is going to improve anytime soon.
30. As CLC noted in its submission to the *Inquiry into Northern Australia Workforce Development (Workforce Development Inquiry)*,<sup>7</sup> and its submission on the Critical Minerals Strategy,<sup>8</sup> while the mining sector is touted for economic growth in Northern Australia and for its Aboriginal employment rate this does not necessarily translate into *local* jobs for remote Aboriginal communities. CLC understands that within its region, mineral and energy projects only have around 150 Aboriginal people employed, and many of these workers from outside this region.
31. The status quo cannot continue. Nor should it be mirrored as the critical minerals sector develops.
32. To address it requires bold and committed Government intervention in the form of: (1) incentives for proponents to provide jobs and training opportunities to local First Nations peoples; and (2) Government partnership and support of proponents to realise such targets, including through investment in Indigenous work-readiness programs. This is explored in more detail below.
33. We also encourage the Committee to review in full CLC's previous submissions to the Workforce Development Inquiry and on the Critical Minerals Strategy.

### 5.1 Government investment in work-readiness programs

34. A number of the major critical minerals projects currently in development in CLC's region have strong stated aims of supporting local Aboriginal people to take up jobs generated by the projects,

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<sup>5</sup>See, e.g., Joint Standing Committee on Northern Australia, Parliament of Australia, *A Way Forward: Final Report into the Destruction of Indigenous Heritage Sites at Juukan Gorge* (Final Report, October 2021) 170 [6.57].

<sup>6</sup>Department of Treasury and Finance, *Northern Territory Economy* (webpage) <https://nteconomy.nt.gov.au/labour-market/aboriginal-labour-force-characteristics> (accessed on 15 March 2026).

<sup>7</sup>Central Land Council, Submission 59 to the Joint Select Committee on Northern Australia, *Inquiry on Northern Australia's Workforce* (January 2023) 12 [CLC submission to the Inquiry into Northern Australia Workforce Development - Central Land Council](#) (accessed on 15 March 2026).

<sup>8</sup>Central Land Council, Submission to the **Department of Industry, Science and Resources**, *Critical Minerals Strategy Discussion Paper* (February 2023) 12-13 <https://www.clc.org.au/clc-submission-on-australias-critical-minerals-strategy-2023/> (accessed on 15 March 2026).

thanks to CLC's advocacy on behalf of the relevant Traditional Owners and Aboriginal communities.

35. However, in CLC's experience, whether these aims are realised can depend, amongst other things, on the work-readiness of the local Aboriginal population.
36. As outlined in our submission to the Workforce Development Inquiry, the factors resulting in low work-readiness are complex, and relevantly include:
  - a) poor regional infrastructure including roads, and public transport options, to reach available training and jobs;
  - b) under-provision of remote VET;
  - c) lack of culturally safe and tailored training and employment procurement programs; and
  - d) policy and funding decisions that have resulted in reduced access to secondary schooling for young Aboriginal people living in remote communities.
37. CLC submits that significant and long-term Government investment and coordination (at both Federal and Territory level) and a reset of policy settings around regional and Aboriginal education are required to properly address these factors in the critical minerals context. Without this, there is a risk that Aboriginal communities will continue to be shut off from benefit-sharing outcomes.
38. In particular, this requires:
  - a) improved access to VET, noting that the Australian Government has recently committed \$30 million through its *A better, Safer Future for Central Australia Plan*, to establish RTHs in seven central Australian communities by 2028. The program is aimed at improving on-country learning and job readiness in areas including carpentry, conservation and ecosystem management, hospitality and resource infrastructure. The program is expected to lift the availability of VET and provide opportunities for work readiness including the development of foundational-skill building programs;
  - b) sufficient and consistent funding for foundational-skill building programs, e.g., language, numeracy, and literacy programs;
  - c) funding partnerships with critical minerals proponents to deliver bespoke work-readiness and workplace development programs through the seven RTHs that account for the specific requirements of the Aboriginal community and the needs of the project; and
  - d) the development and implementation of employment procurement programs, that are designed by, and for, the relevant local communities (CLC acknowledges that this has also been a key feature of the Federal Government's new RAES program, which replaced the Community Development Program).
39. If the Australian government is serious about improving regional employment outcomes – and maintaining its ESG credentials – as part of the growth of the critical minerals sector – then its ongoing investment in, and support of, programs to increase Aboriginal employment is essential.

**Recommendation 9:** The Australian Government should follow through with the \$30 million RTH plan, and therefore lift the availability of VET and provide opportunities for work readiness including the development of foundational-skill building programs.

**Recommendation 10:** Proponents should be encouraged to work with the Desert Peoples' Centre which has been contracted to lead a consortium of registered training organisations to support the delivery of training across the RTH to develop and deliver work-readiness, workplace development, and employment procurement programs that are tailored for their projects and the local Aboriginal community in question.

**Recommendation 11:** The Australian Government should ensure the new RAES program is focused on supporting local people into real jobs and that providers of future remote employment services perform far better in engaging and adequately preparing people for job pathways in their community.

## 5.2 Incentives around First Nations employment

40. As noted above, while mining is a major sector within the CLC's region, these projects only employ a small number of people from the local Aboriginal communities in which they are based.
41. CLC has been seeking to rectify this issue by negotiating strong mining agreements with clear local Aboriginal employment targets. However, the inclusion – and realisation – of these employment targets is dependent on the proponents' appetite, and capacity, to invest in the long-term measures needed to attract, train, and support local Aboriginal people. These relevantly include:
- a) Dedicating specific financial and human resources to local Aboriginal employment and training.
  - b) Committing to supporting local Aboriginal people who have expressed interest to obtain the training and qualifications they need to gain employment on the project.
  - c) Committing to an explicit preference in favour of local Aboriginal applicants.
  - d) Providing work readiness training to local Aboriginal people to bridge skills gaps or partnering with government and other stakeholders to do so.
  - e) Partnering with Aboriginal-run employment service providers who can support local Aboriginal people into jobs.
  - f) Undertaking active outreach and stakeholder engagement in local communities and with local service providers, proving a clear picture of employment pathways, roles and opportunities.
  - g) Collaborating with others in the region to develop local workforce strategies.
  - h) Ensuring company employment conditions are suitable to the needs of local Aboriginal people including by the provision of cross-cultural training for all employees (including supervisors), providing Aboriginal mentors for Aboriginal staff, and flexible leave arrangements that consider cultural obligations.
42. The implementation of these measures requires Government support in the form of partnership with proponents and investment in work-readiness and First Nations employment procurement programs, including through RTH, as outlined above.
43. It also relevantly requires proponent willingness – which in turn requires Government expectation-setting. This can take the form of: requiring that critical minerals projects set legally binding targets for local Aboriginal employment; making government financing conditional on the setting of such targets; statements from Ministers and governments about expectations; and the establishment of best-practice guidelines.

**Recommendation 12:** Government should facilitate proponents to set legally binding targets around local Aboriginal employment. Proponents should be required to report on their progress in meeting these *local* employment targets (and not only *total* Aboriginal employment which is the current norm).

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

44. State and Territory governments play a major role in the development, and oversight, of the mining sector. Mining approvals are typically granted by State and Territory governments. These governments are also responsible for overseeing environmental compliance, unless the project carries a specific risk profile that triggers the need for a Commonwealth assessment and approval (e.g. under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth)).
45. State and Territory governments also regularly make policy, legislative, and budgetary decisions to facilitate the growth of the mining sector. By way of example, the Northern Territory Government recently published the ‘*Critical Minerals and Gold in the Northern Territory 2026*’ guide, which is intended to provide proponents an overview of the Territory’s critical minerals endowment.<sup>9</sup> The Northern Territory Government has also dedicated \$26 million to its ‘Resourcing the Territory Initiative’ which is intended to grow critical minerals exploration via investment in geoscience and exploration stimulus programs.<sup>10</sup>

### 6.1 Environmental protections

46. While the focus of this term of reference is on ‘socially and economically sustainable development’, CLC submits that equal importance should be given to environmental sustainability, if the Australian Government is serious about retaining its ESG credentials as it seeks to stimulate the critical minerals sector. For Aboriginal people, socially sustainable development necessarily involves consideration of culture which, in turn, is intrinsically linked to Country. Environmental sustainability is critical for that.
47. Critical minerals projects, if not appropriately regulated through robust environment approvals, carry significant environmental risk – including impacts to biodiversity, soil and groundwater contamination, increased greenhouse gas emissions, and water scarcity. Given the interrelationship that exists for Aboriginal people between environmental and cultural values, any adverse environmental impacts from these projects could also result in permanent cultural loss.
48. Therefore, while CLC understands the push for streamlined approvals-processes, CLC submits that this should not be at the expense of environmental protection. State, Territory, and local governments all have a role to play in upholding the protection of our environment. Without strong environmental laws in place, there is a real risk that the growth of the critical minerals sector – and associated push towards net zero – could in fact result in environmental and cultural destruction.

**Recommendation 13:** Australian Governments at all levels should conduct a review of, and introduce any necessary reforms to, environmental laws applicable to critical minerals projects to ensure robust protections are in place to mitigate the environmental, social and cultural impacts of these projects.

### 6.2 Water protection

49. Water security and associated law reform is a particular priority area for CLC and the Traditional Owners CLC represents. Availability of water impacts human and environmental health and plays important roles in Aboriginal culture.

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<sup>9</sup>Northern Territory Government, *Critical Minerals and Gold in the Northern Territory 2026* (2026) <https://resourcingtheterritory.nt.gov.au/data-and-publications/critical-minerals-guide> (accessed on 16 March 2026).

<sup>10</sup>Northern Territory Government, *The Territory Critical Minerals Plan* (undated) <https://dtbar.nt.gov.au/publications/strategies-and-plans/the-territory-critical-minerals-plan> (accessed on 16 March 2026).

50. As we noted in our submission in response to the Critical Minerals Strategy, the lack of any detailed discussion around water security in the Critical Minerals Strategy is disappointing given that:
- a) High volumes of water are used in the mining and processing of critical minerals – particularly rare earths and lithium.<sup>11</sup>
  - b) The sector’s demand for water is only likely to grow if, as the Australian Government intends, downstream processing is brought on-shore.
51. Unless there are robust laws in place to prevent this, the growth of the critical minerals sector could put additional pressure on our already-stretched water resources.
52. This is concerning nationally, but particularly so in the Northern Territory, where water-security is an ever-present and growing concern – and our water laws have been routinely criticised for being wholly inadequate. CLC notes in particular:
- a) The Northern Territory is almost entirely dependent on ancient groundwater systems (accessed via bores) for its water supply. These systems have accumulated water over hundreds of years, and the recharge of these systems is dependent on wet season rainfall – and can occur on the time scale of decades. In many cases we are already extracting water from aquifers at a faster rate than they can recharge. Due to the accelerating effects of climate change, the recharging of these groundwater systems is expected to take longer, as rain events become more intermittent and less reliable. The use of water for mining places a significant burden on these resources, which is not expected to be replenished for decades.
  - b) Twenty eight out of thirty-two remote communities in CLC’s region are rated high, very high or extreme risk in relation to their drinking water security.
  - c) In arid environments many high cultural and biodiversity values rely on shallow groundwater.
  - d) There remain many uncertainties and knowledge gaps about aquifer characteristics and recharge across diverse environments.
  - e) While water use for economic purposes in the Northern Territory requires a water licence, there is no cost to proponents for the water itself. This skews the cost-benefit analysis, amounts to a public subsidy of the project and undermines incentive to use water efficiently.
53. These circumstances call for robust water laws that preserve our water resources for future generations and, by extension, preserve drinking water supply, groundwater dependent ecosystems, and cultural values.
54. However, as CLC publicly outlined in other submissions, the Northern Territory’s water laws were wholly inadequate –they have been further weakened in recent reforms made by the Northern Territory Government.
55. In this context a precautionary approach must be taken with respect to critical minerals project water licence approvals to minimise impacts on drinking water supply, groundwater dependent ecosystems and their linked cultural values. Such an approach is not currently provided for under the Federal legislation – noting that under the amended EPBC Act, critical minerals projects consuming significant amounts of quantities of groundwater are not subject to the ‘water trigger’. As per CLC’s Submission on the Inquiry into Environment Protection Reform Bill 2025,<sup>12</sup> the

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<sup>11</sup>International Energy Agency, *The Role of Critical Minerals in Clean Energy Transitions: Sustainable Development and Responsible Development of Minerals – Indicators for Water Use for Selected Minerals* (webpage) <https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions/sustainable-and-responsible-development-of-minerals> (accessed on 16 March 2026).

<sup>12</sup> See [Territory Land Councils submission](#) on the *Inquiry into Environment Protection Reform Bill 2025 and six related Bills*

EPBC Act should be further amended such that the Water Trigger applies to all high-water consuming projects, not just coal and fracking. Similarly, devolution of the water trigger to the States or Territories should not occur under any circumstances.

56. The growth of the critical minerals sector in the Northern Territory should be contingent on stronger water laws being implemented. The Northern Territory government must also develop a cost recovery scheme for water use by proponents so that the cost of sustainable water planning and associated research can be recovered from water users (or so that any public subsidy can be transparently reported on). Cost recovery for sustainable water planning recovers costs beyond management and administration. It should include the costs of the best-available and new science (including monitoring and modelling) required to underpin decisions, and ensuring meaningful partnerships and consultation with Traditional Owners in water planning.
57. Without stronger water laws and cost recovery schemes in place, there is a live risk of increased water security issues in the Northern Territory.

**Recommendation 14:** The EPBC Act should be further amended such that the ‘water trigger’ applies to all high-water consuming projects such as critical minerals, and not just coal and fracking.

**Recommendation 15:** The Northern Territory Government must incorporate the cost of sustainable water planning and associated research into the price of water fees and charges, so that the costs of sustainable water planning can be recovered from water users.

**Recommendation 16:** Environmental impact assessment of critical minerals projects should be required to include a hydrogeological assessment of the projected groundwater draw down impacts across the life of the project with respect to impacts on groundwater dependent ecosystems and cultural values including sacred sites.

### 6.3 The *Territory Coordinator Act* should not be used to circumvent FPIC

58. Kimberley Land Council noted in its submission to the Inquiry that several States and Territories have recently passed laws to streamline and fast-track the approvals of major projects, which may include critical minerals projects.
59. In the Northern Territory, this has taken the form of the *Territory Coordinator Act 2025 (NT) (TC Act)*. This gives the relevant Minister, and the unelected Territory Coordinator, unparalleled powers in the name of driving economic development for the Territory.<sup>13</sup> These include the power to:
- a) exempt ‘significant projects’ from the application of certain laws, including environmental, heritage and water laws;
  - b) take over as decision-maker for these significant projects, and thereby fast-track, or circumvent entirely, the standard approvals processes for these projects; and
  - c) step in and take over the assessment functions of the Northern Territory EPA.
60. While the precise scope of this law has yet to be tested, CLC is concerned that, given its express emphasis on economic growth, it could significantly hinder – or at worst, entirely prevent – Aboriginal participation in, and scrutiny of, development decisions affecting their land. CLC is also concerned that it could be used to prioritise industry needs, at the expense of environmental, social and cultural considerations.

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<sup>13</sup> TC Act, section 8.

**Recommendation 17:** Streamlining of approvals processes should not be at the expense of robust environmental, social and cultural heritage protections.

## 7. Options for improved coordination between jurisdictions and the Commonwealth

61. The CLC is open to, and welcomes, improved coordination between the jurisdictions and the Commonwealth. Projects on native title and ALRA land often trigger assessments at both a Federal and Territory level – often with differing requirements, and timeframes, creating confusion for proponents and Traditional Owners alike.
62. However, this should not result in the weakening, or circumvention, of environmental, social and cultural heritage protections. The creation of the Territory Coordinator role – with powers to undermine environmental and heritage protections under 23 Northern Territory Laws – is emblematic of this issue.

**Recommendation 18:** The Commonwealth must retain decision-making powers under the EPBC Act and revoke the current Bilateral agreement that delegates assessment processes under the Act to the NTEPA.

**Recommendation 19:** Reform to the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) and any further reform to the EPBC Act should ensure best-practice, and consistent, cultural heritage and environmental protections at both the Federal and Territory level.

## 8. Conclusion

63. Thank you for the opportunity to make a submission to this Inquiry. We trust that this outlines to the Standing Committee the importance of centring Aboriginal engagement and economic development outcomes in the growth of the critical minerals sector. We would be happy to discuss our submission further, including at any roundtable convened on Aboriginal engagement and participation.

Yours sincerely



Lesley Turner

**CHIEF EXECUTIVE OFFICER**