



Inquiry: Environmental and Water Impacts of Artificial Intelligence and Data Centres - Senate Environment & Communications Committee

The Wetlands Conservation Society (WCS) welcomes the opportunity to contribute to this inquiry. Our organisation works across the Beeliar Wetlands and wider Perth region to protect ecologically significant wetlands, restore hydrological systems, and advocate for evidence-based planning decisions that safeguard long-lived native species and culturally significant ecosystems.

The recent proposal for a large-scale data centre on the Helena River at Hazelmere — ultimately withdrawn after strong community opposition — exposed critical weaknesses in planning frameworks and the vulnerability of riparian and wetland systems when high-demand industrial uses are proposed in sensitive locations. Media reporting has highlighted this as a “significant win” for Swan Valley residents (WAtoday, 14 May 2026) and a community-led effort to “save Mandoon Bilya” (National Indigenous Times, 15 May 2026). These events demonstrate the urgent need for stronger national guidance.

[Locals save Mandoon Bilya from massive AI data cent... | National Indigenous Times](#)
[Hazelmere data centre: \\$600 million GreenSquareDC project withdrawn after community pushback](#)

State Planning Policy 2.9 – Water requires that development protect water resources, hydrological regimes, wetlands and their buffers. Data centres are among the most water-intensive industrial land uses in Australia, with significant implications for groundwater extraction, thermal discharge, and cumulative impacts on already stressed systems.

[State Planning Policy 2.9 Water](#)

The inquiry’s terms of reference ask whether current planning frameworks adequately manage these risks. In our view, SPP 2.9 provides a strong foundation, but its principles are not consistently applied or enforced. WCS recommend:

- Embedding SPP 2.9 principles into national data-centre planning guidance.

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- Mandatory hydrological impact assessments for all proposals.
- Treating wetland and groundwater protection as non-negotiable constraints.

The Hazelmere proposal demonstrated the vulnerability of riparian and wetland systems when high-demand industrial uses are proposed too close to sensitive water bodies. The absence of mandatory wetland buffer zones and inconsistent hydrological protections leave councils and communities exposed.

WCS recommend:

- Nationally consistent minimum wetland buffer standards, aligned with SPP 2.9.
- Mandatory hydrological modelling for all data-centre proposals.
- Recognition of wetlands as critical infrastructure for biodiversity, climate resilience, groundwater recharge, and community wellbeing.

Groundwater resources underpin Western Australia’s economy, drinking-water security, and ecological health. Wetlands are integral to this system. Planning policies must prevent environmental, social and economic damage before it occurs.

The Hazelmere proposal revealed systemic issues that must be addressed nationally. Key concerns raised by the community — and relevant to this inquiry — include:

Planning incompatibility

The proposal was incompatible with the “Special Use” zoning intended to buffer the Hazelmere industrial estate and the river. It contradicted City of Swan planning policies, including environmental planning and floodplain management.

Inappropriate classification

The proposal was assessed as a “warehouse” because the WA Planning Framework does not yet recognise data centres as a distinct land use. This sets a concerning precedent for the entire State.

Infrastructure burden

The development required significant public investment in sewerage upgrades, a new substation, and 132kV transmission lines — with grid connection unresolved.

Sensitive location

The site was adjacent to a conservation wetland, two Aboriginal heritage sites, a primary school, and residential properties. The heritage assessment failed to consider the broader cultural landscape of the Mandoon Bilya, as emphasised by Noongar people.

Strong community opposition

A total of **1,829 objections** were lodged. The community was not opposed to data centres, but to this specific location. As local groups stated, “our restoration work, and the massive community effort behind it, could be seriously undermined by this inappropriate development.” These issues are not unique to Hazelmere. Without national guidance, similar proposals may progress unnoticed until late in the process.

If data-centre development is required in Western Australia, WCS recommend prioritising:

- **Degraded or previously disturbed land**, such as former landfill sites or industrial brownfields.
- **Non-potable water sources**, including treated wastewater from sewage-treatment plants.
- Infrastructure designed to be water-neutral or water-positive.

These approaches reduce environmental impact and align with community expectations for responsible development.

WCS **recommend** that the Committee consider:

1. Embedding SPP 2.9 principles into national data-centre planning guidance.
2. Establishing mandatory wetland buffer zones and hydrological impact assessments.
3. Requiring early-stage environmental screening to prevent unsuitable proposals.
4. Prioritising degraded land for data-centre development.
5. Requiring data centres to use treated wastewater or alternative non-potable sources.
6. Ensuring transparent community consultation for all proposals.

Data centres are essential infrastructure, but their environmental footprint must be carefully managed. Western Australia’s wetlands, groundwater systems and riparian environments are irreplaceable assets that support biodiversity, cultural heritage, climate resilience and community wellbeing.

WCS urges the Committee to strengthen national planning frameworks to ensure that data-centre development does not compromise these values. With clear policy direction, Australia can support technological growth while safeguarding the ecological systems that sustain us.

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Should you require more information, please feel free to contact us.

Sincerely,

Joyce Gadalon

Secretary

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