

COMMUNITY INFORMATION SHEET • WATER RESOURCES

Water for industry, agriculture and towns

How Australia balances competing uses — and where new industrial demand actually fits

The key idea: scale honestly, worry locally

Two things are true at once. Nationally, **agriculture uses the large majority of Australia's consumed water**; industry, including every data centre in the country, is a small fraction. Locally, a single big user on a stressed source can matter a great deal. Honest water conversations hold both: no panic about national figures, no dismissal of local pinch points.

How the uses differ

Towns get highest-security water; cities plan for supply through the worst droughts. **Agriculture** holds most entitlements and absorbs most dry-year cuts. **Industry** typically buys high-security entitlements or contracts with utilities and pays commercial rates. Uses also differ in what comes back: much industrial water returns to the system (warmer, treated), while irrigation is mostly consumed. The same litre isn't the same impact.

How a new facility actually gets water

Three routes, all checkable: **buy entitlements** on the market (transferring a share from an existing holder, visible in registers); **contract a utility** (the utility must show it can serve existing customers too); or **use recycled/non-potable sources** (sheet 04, often the best-practice answer). What a credible proponent can't do is wave at "the region's abundant water" without naming a route.

The digital-economy wrinkle

Data-centre water demand is *daily and steady* (with summer peaks), unlike irrigation's seasonal pattern, which can actually suit supply systems. But cooling demand peaks exactly when everything else peaks: hot, dry spells. That's why dry-year analysis, not annual averages, is the test that matters (sheet 06).

What good practice looks like

- Demand stated as annual volume AND peak-day demand in a heatwave.
- Supply route named and verified: market purchase, utility contract or recycled scheme.
- Comparisons made honestly; "equivalent to X households" should include peak behaviour, not just averages.
- Local water utilities consulted publicly, with their assessment available.

Questions to ask

What's the facility's peak-day water demand on the hottest week of the year? Which existing users does its supply route affect? Has the utility or agency published its assessment of the arrangement?

Want to know more? The Bureau of Meteorology's water accounts show who uses what nationally; your state water agency and local utility hold the regional picture. This sheet is general information, not legal or planning advice; a specific proposal is confirmed by qualified assessment.