

31 August 2011

The Chairman  
Victorian Planning System Ministerial Advisory Committee  
c/- Statutory Planning Systems Reform  
Department of Planning and Community Development  
GOP Box 2392  
Melbourne VIC. 3001

Dear Mr Underwood,

## **VICTORIAN PLANNING PROVISIONS**

I refer to the Advisory Committee setup by the Minister of Planning seeking submissions from organisations wishing to comment about the Victorian Planning Provisions, planning schemes and the planning system generally.

The Construction Material Processors Association Inc. (CMPA) is an industry association representing a broad spectrum of those involved in construction material processing businesses engaged in the extracting, processing or otherwise working in hard rock, gravel, sand, masonry, clay, lime, soil, gypsum or recycling; industry consultants, industry suppliers and any industry worker. The Association was formed more than 10 years ago in response to burgeoning Government demands on the industry and a need to provide a single coherent voice to stand up to unjustified imposts. The CMPA's membership is primarily small to medium sized businesses.

Extractive industries provide the raw materials for building and construction, vital to the State's development. The industry operates quarries that produce a range of hard rock, clay, sand and gravel products. According to the statistics compiled by the Department of Primary Industries (DPI) as at 30 June 2010 there were 869 work authorities granted under the *Mineral Resources (Sustainable Development) Act 2009* (MRD Act) in Victoria. Total production from these work authorities was approximately 46 million tonnes in that year (2009-10).

The details below cover what members of the CMPA consider to be the main concerns about the planning system in Victoria.

### **1. Lack of State stewardship of extractive resources**

The CMPA would welcome the planning objective of identifying and protecting extractive resources. This stewardship of the extractive resource implies Government should implement this policy in identifying strategic stone resources through targeted geological mapping and drilling initiatives and to ensure high level planning protection of identified, strategic stone resources. Such strategic resources would be close to major transport routes, close to market and with minimal limiting issues such as native vegetation and cultural heritage.

One mechanism to achieve this is to further refine Extractive Industry Interest Areas (EIWA) with better defined, defensible extractive resources that have a greater level of planning protection than currently exists. This would also assist in the regional identification of future supply scenarios so that areas where supply short falls and high prices will occur can be identified early. If this early identification does not occur, then due to the long lead time in establishing new EIWAs, high product prices may occur in the market place for many years. Such market failure requires government intervention and consideration of the value of the extractive resource applied in the planning approval process.

One council with a local perspective and interests should not have the responsibility for making a decision on a potentially regional or statewide significant resource. Stewardship ensures that the economic objectives of the State as a whole are achieved which may over ride the requirements of a local council.

## **2. Excessive financial burden resulting from native vegetation and cultural heritage**

We need to change the planning system currently in place in Victoria. Native vegetation and cultural heritage in particular are continually causing proponents of new or existing Work Authorities (WA) significant difficulties. Both issues have unnecessarily added high cost and time to the industry and have the potential to affect future housing and infrastructure affordability.

It is vital that we develop a mechanism for balancing cultural heritage and native vegetation values against the overall value of the resource to community.

### **2.a Native Vegetation**

Unlike housing, the extractive industry can only be established in areas where extractive resources exist. Often this is only where native vegetation exists as farming in early years did not clear land as it was generally stony areas hence native vegetation has grown.

Generally extractive industry uses a very small footprint compared to housing or industrial areas uses. An overhaul of the planning legislation and guidelines for the offsets that also includes a value on the resource that is affected by the vegetation value and will present a fairer balanced outcome beneficial to the state's resources.

### **2.b Cultural Heritage Issues**

Currently extractive industry WA proponents of new or existing sites and variations need to undergo planning permit application which usually also includes a Cultural Heritage Management Plan. Our members do not have a problem with carrying out these surveys to assist in the establishment of the historical movement and settlement of Aboriginal people and culture.

We do however strongly oppose and reject the extensive cost and time delays associated with such reporting. On average each report which must be carried out by a specialist archaeologist costs \$100,000 to \$250,000 with no surety. It should be noted that the initial costs of AAV investigations were estimated by the Department of Primary Industries to be \$4000 to \$8,000 for a desktop study but subsequent experience has shown that actual costs are substantially beyond those figures.

The current system of RAP and AAV dealing with private land has the ability to slow or even stop processes for many months and, in some cases, years. There are no time limits for decisions or general rules for this part of the planning system and our members are often waiting for members of a RAP to decide on a way forward who often cannot come to an agreement amongst themselves.

The planning system needs to set timelines and parameters on heritage issues that are adhered to. There is no allowance for compensation should a RAP decided to retain heritage or cultural items on private land. This unbalanced, unfair and inequitable.

## **3. Need for streamlining of the planning approval process**

The Work Authority/Work Plan approval process should be centrally managed by the DPI. The DPI should be empowered to manage planning referral obligations to referral agencies to achieve an endorsed Work Plan, eliminating duplication of referrals. Council approval process should focus on offsite impacts with these aspects subsequently incorporated into the Work Plan.

DPI and local government should streamline the Work Authority/Work Plan approvals that recognise DPI's regulatory reach.

#### 4. Improvements required to the VCAT process

The CMPA considers that the following issues and /or concerns from the VCAT process need to be urgently addressed:

- The ever-increasing cost being placed upon the proponent,
- That the commission's findings remain relevant to the issues of the hearing at hand,
- Those outcomes, where practical, ensure re-submission would be a last resort, and
- There should be a focus where minor issues can be dealt with by conditions on planning permits rather than outright refusal of the application.

#### 5. Buffers

The maintenance of buffers is an ongoing issue for the industry. EIWAs, especially around the outer fringe of Melbourne, are increasingly threatened with encroachment from ever expanding residential subdivisions. The rights of the existing extractive industry need to be recognised by the local planning authorities with inappropriate land use adjacent to existing quarries limited. There are many examples of specific industries working cooperatively within an extractive industry buffer area. Buffers do not have to be sterilised, unused land.

It is important that any required buffers be maintained if a change of land use in the vicinity of the extractive industry is proposed and that sensitive land uses are not permitted within the defined buffer without the consent of the extractive industry proponent.

On the 29 September 2009 the CMPA commented on five response papers that provided details on proposed changes to the Planning and Environment Act 1987 (P&E Act). The comments made in that submission are just as relevant now and I have included a copy of that submission with this submission.

We thank you for the opportunity to comment via this submission and if you need any additional information we would be pleased to supply this to you. The CMPA would also be happy to discuss our comments with you at a later stage.

Yours sincerely



Bruce McClure RFD, psc(r)  
C.P. Eng., AIMM  
General Manager