STRATEGIC EXTRACTIVE RESOURCE AREAS PILOT PROJECT

SUMMARY REPORT
Background

Victoria is growing rapidly, with population forecast to exceed 10 million people by 2050. Melbourne is now Australia’s fastest-growing city, and we need more extractive resources such as sand, rock and gravel to be brought to market to build homes and necessary infrastructure.

The long-term supply of strategic extractive resources needs to be secured today, in areas close to where they will be used to keep down transportation and construction costs.

The Victorian Government’s Helping Victoria Grow: Extractive Resources Strategy sets out a comprehensive plan to help ensure that current and future generations can continue to have access to the materials needed to affordably build homes, hospitals, schools, roads and other infrastructure.

The Strategic Extractive Resource Areas (SERA) pilot project is a key initiative of the Extractive Resources Strategy, which will help secure strategic extractive resources in defined locations.

The SERA pilot project is a partnership between the Victorian Government, Wyndham City Council and South Gippsland Shire Council.

Informed by the pilot project, the Victorian Government will progressively roll out SERAs in other suitable areas identified as being strategically important for the supply of extractive resources that are needed to meet expected demand. Any further SERA pilot project areas will be determined in consultation with local councils, industry and communities and appropriately assessed on a case-by-case basis.
The challenge

By 2050 the demand for extractive resources is expected to reach more than 100 million tonnes per year, more than doubling 2015 levels.

Victoria’s rapid population growth has not only increased demand for extractive materials, it has also affected their availability. Urban and rural residential developments, the introduction of new environmental safeguards and a range of other land uses, means that available options for existing quarries to expand and new quarries to be established are quickly disappearing.

Victoria’s Planning Policy Framework (PPF) recognises the importance of extractive resources for the State. However, planning schemes in their current form have not been effective in securing extractive resources and protecting operating quarries from incompatible land uses.

Extractive Industry Interest Areas (EIiAs) were established in the 1990s to identify land where future extractive resources are likely to be found, but have generally failed to provide a well-defined, visible and binding mechanism in the planning system to secure these resources.
The SERA pilot project

The SERA pilot project was initiated by the Victorian Government, with the oversight of the Extractives Strategy Taskforce to establish a new approach to securing extractive resources and providing:

- Certainty for quarry operators to know that current and potential future operations will not be impacted by housing or other incompatible land uses.
- Certainty for local community to know that their lives will not be impacted by quarry operations near their homes.
- Certainty for the broader Victorian community and business to know that the construction materials required to build the infrastructure the state needs will be safeguarded and affordable.

The SERA pilot project is trialling the use of mechanisms available in the Victorian planning system to provide greater visibility, recognition and protection of known or potential strategic resources in two local government areas.

The Wyndham and South Gippsland councils were chosen after local government areas identified as strategic resource locations were invited to express interest in participating in the pilot project.
Proposed SERA locations

**Wyndham**

The Wyndham area is recognised for its vast flat basalt plains. A number of hard rock quarries have been operating in the area for decades, producing good quality road base and aggregate from the extracted basalt, which is used for major road projects and other infrastructure in and around greater Melbourne.

More than 65 per cent of the existing EIIA in Wyndham is now inaccessible for potential extractive industries due to incompatible land uses.

The large Western Grassland Reserve and the location of small settlements and nearby towns have helped to shape the proposed SERA boundary, which avoids these important areas. It encompasses existing quarries, Special Use Zones, and areas where there are potential extractive resources that may be suitable for future quarry development.

- In 2018/19, Wyndham produced 12 per cent of all hard rock in Victoria.
- In 2018/19, around 5 million tonnes of hard rock was extracted from quarries within Wyndham.
- From 2015 to 2050, Wyndham is forecast to demand the second highest amount of hard rock in Victoria.
South Gippsland

South Gippsland’s north western corner forms part of an extensive sand belt. The sand near Nyora has been extracted since the 1950s and is projected to continue for the next few decades.

Several quarries located in the SERA pilot project produce sand that is largely used in construction projects across Melbourne.

The proposed SERA boundary covers all of the existing sand quarries in the South Gippsland municipality that lie west of the township of Nyora. It also includes adjoining areas that are generally covered by the EIIA, the buffers of existing quarries, and areas that sit within planning zones where extractive industries are permitted.

- By 2050, South Gippsland is forecast to be the largest supplier of sand to Greater Melbourne.
- In 2018-19, around 2 million tonnes of sand were produced in South Gippsland.
- Output from quarries in the SERA investigation area accounted for around 13 per cent of Victoria’s total sand production in 2018/19.
Proposed planning provisions for SERAs

The introduction of new planning provisions is proposed within defined SERA areas.

The new provisions aim to safeguard potential extractive resources and to protect the operations of existing quarries, while ensuring community values are maintained.

The SERA boundaries are proposed to be designated as a State Resource Overlay within the respective pilot council planning schemes. Existing quarries, or land that is currently zoned Special Use, are proposed to be designated as an updated Special Use Zone. This will limit and manage uses and development that do not complement or safely coexist with quarrying activities.

In the areas within the proposed SERAs where existing quarries do not exist, a State Resource Overlay is proposed to provide a greater level of management about the types of uses and development that will occur across these areas.

For industry, the provisions will help to minimise potential planning related impacts for existing or approved quarries. In areas of the SERA where quarries do not currently exist, the provisions will reduce the risk of losing resources for future extractive industries. This is an important outcome that will help to ensure Victoria will have sufficient supplies of extractive resources to meet the State’s future needs.
Any new quarries proposed in the SERA boundaries, will still be required to be assessed through the normal requirements under the Mineral Resources (Sustainable Development) Act, Planning and Environment Act and must address any other legislative requirements and safeguards.

Community, industry and other stakeholders are now provided the opportunity to provide feedback on the draft SERA pilot project, in particular the proposed planning provisions and areas related to the proposed State Resource Overlay and the Special Use Zone. This feedback will be used to refine the proposed planning provisions and inform the final decision to be made by the Minister for Planning.

The proposed SERA planning provision application for both the Wyndham and South Gippsland pilots are illustrated overleaf.
SERAS Planning Provision Application (Proposed): Wyndham
SERA planning provision application (proposed): South Gippsland