The Chair

Inquiry into Local Economic Development Initiatives in Regional Victoria

Dear Sir / Madam

I would like to make a submission to address the following terms of reference regarding economic development in regional and coastal Victoria:

- examine whether the role of local government in rural and regional areas has different economic development tasks to that of metropolitan based municipalities;
- identify the barriers to local economic development, including compliance costs for business and planning delays, in operating in local municipalities and develop solutions to address these barriers;
- examine ways in which municipal councils and the Victorian Government can jointly support local economic development, enhance and promote employment and attract new investment, especially in localities with emerging economic potential; and
- investigate best practice local economic development initiatives relevant to the terms of reference

In answer to these terms of reference I also refer to the proposed Planning and Environment Amendment (General) Bill, and the proposed Reformed Zones.

I do not believe there are any unreasonable barriers to economic development in regional or coastal areas. The current system and the Planning and Environment Act 1987 allows fair, equitable and orderly planning and development in appropriate zones and in an appropriate timeframe.

I have concerns that heritage and environmental assets may be at risk if planning is fast tracked, which will be a great loss to all Victorians and visitors to Victoria.

Regional and Coastal Victoria’s economy is dependent upon:

- Preserving agricultural land
- Preserving the tourism product via protecting heritage assets
- Preserving liveability for residents – the reason why they live there.

I refer to 2 examples on the Port Campbell coast, Corangamite Shire:

**Corangamite Shire Council Amendment C30**

Corangamite Shire Council’s Amendment C30 (2011) aims to rezone over 1000 hectares of rural conservation land for 11 major tourism developments on 25 kms of nationally significant coastline, without due consideration of the impact on this heritage, or the impact on the tourism product or the economy of the area and Victoria. Rezoning for speculative development will be detrimental to Victoria’s economic development and creates uncertainty and inequity for all current business owners.
Of the approx 100 submissions to C30, approx 80% were against this rezoning citing the detrimental effect on farming, tourism, current businesses and the liveability of the area.

**Southern Ocean Beach House**

The community has worked for 20 years with Council and planning consultants to create a planning scheme for Port Campbell. All policies, including specific Design & Development Overlays, state that planning must be low scale and retain the coastal village character. The proposed Southern Ocean Beach House on the sea caverned cliff edge (4 storey, 97 apartments, 10 shops, a 200 seat restaurant, 99% site coverage) which has been on the drawing board for nearly 10 years, has created uncertainty and held up development in the township. People are hesitant to commit to businesses in the town and the area, as they see this proposal as a potential threat as its scale falls outside the criteria set by the planning scheme.

People set up businesses on the understanding that the planning scheme will be upheld, and that the heritage that they rely upon to attract visitors for their businesses will be protected.

Planning should create certainty for all Victorians - not just an elite few large business entrepreneurs.

Processes such as the current Planning and Environment Amendment (General) Bill, and the Reformed Zones, will further create uncertainty for all Victorians other than a select few.

The Bill and Reformed Zones will make Victoria’s planning system less transparent, less accountable, and create uncertainty to the planning system and uncertainty for people wishing to commit to business development. There is already clarity in the role and responsibilities of the referral authority and decision-makers in planning.

There is no need to change planning to try to stimulate local economic development initiatives in Regional Victoria. All the last attempts to change the planning scheme – Modernising the Planning & Environment Act, 2010; Victorian Planning System Ministerial Advisory Committee, 2011; and the Review of Victorian Planning Provisions and Planning Scheme, August 2011 – have shown that planning only needs minor tweaking.

The best economic outcomes for Victoria will be created by stability and upholding the current planning system.

Yours sincerely,
Dr Marion Manifold