



# Ararat Rural City

*Submission to the*

Parliament of Victoria  
Economic Development and  
Infrastructure Committee

**Inquiry in to Greenfields Mineral  
Exploration and Project  
Development in Victoria**

## **Overview**

Ararat Rural City is a municipality comprising 4,200 square kilometers and is located in North West Victoria. It is one of the few municipalities along the Western Highway corridor that is experiencing population growth with its Estimated Residential Population (ERP) exceeding 12,000 for 2010.

The agriculture industry is the largest employer (mainly self employed 1-2 people per operation) and also the major land user for the region with cropping and sheep production the key industries. Agriculture however only accounts for 13% of industrial output whilst manufacturing accounts for 41%.

At present the municipality has no industries that come under Mining in the ANZSIC industry classifications.

Whilst it cannot be generalised that we see our communities as pro this or that, we have proven on several occasions that we accept innovation and new technologies or large projects in a pragmatic way.

Ararat Rural City Council was the first Council to approve a windfarm before the legislation changed to remove such planning approvals from Councils. We have also recorded little or limited objection to a further windfarm some five kilometers from the city centre under the existing legislation indicating a pragmatic approach by our residents to development in agricultural areas.

Two years ago Council was briefed by a mining company of their intention to explore and mine copper and gold at two sites within the municipality but processing at the main proposed mine at Stavely – some 10 minutes from Willaura being the largest town in our municipality nearest the proposed mine.

Initial drilling has been carried out with minimal impact on the environment and with no complaints to Council from the landholders on whose property the drilling occurred.

## **Submission Reference.**

Ararat Rural City Council wishes to address section i) of the Terms of Reference which states:

- i) Consideration of the costs and benefits greenfields mineral exploration (economic, social and environmental), and whether there are opportunities to improve the management of potential conflicts between exploration and other land uses.*

## **Submission**

Whilst Council believes the Stavely project mentioned and mines in general, would have a large, positive economic impact on our local economy and broaden our economic base further, there are costs financial, social and environmental that may have a negative impact as well.

Obviously small towns located near mines may become the focal point for social activities but also have amenities such as schools and medical facilities along with supermarkets, post office etc that would support families of workers.

We would like to bring the committee's attention to three areas of concern that whilst specific to Ararat's proposed mines, would be relevant to any municipality within Victoria that could be effected by mining of ores that are shipped away for processing.

### **1. Road Infrastructure**

In acknowledging the economic benefit spinoffs, Council through its planning permit process also seeks to minimize its costs and protect its main asset impacted by mining, which are country roads not controlled or funded by VicRoads.

Ararat Rural City's Infrastructure budget accounts for approximately 50% of Council's annual budget, with road and bridge maintenance accounting for nearly 40% of expenditure.

We would encourage the committee to seriously look at any State Government legislation or mining development options that may diminish Council's right to impose conditions and bonds on mining proposals that may shift costs of unscheduled road maintenance to ratepayers.

#### **Option - Rail**

We strongly encourage the committee to include a requirement in any bulk ore or other bulk commodity mining proposal that the proponents must include options to include linking a main processing plant with the nearest rail infrastructure either by dedicated and appropriately built roads or conveyor systems.

In this day and age of "green" low carbon options we must seriously look at reducing the number of heavily loaded truck movements on rural roads by shifting bulk ore transportation back on to rail lines.

In our case, Willaura has an existing siding whilst Stavely had a siding, which both could be reinstated and upgraded either with government assistance or as a cost against the project.

A copy of the rail network is attached showing the two sidings as mentioned above.

### **2. Road Safety**

We make mention of the following, not so much as an expectation of any actions to follow but to create an awareness for the committee of the potential impact on the social infrastructure of small towns surrounding mining developments.

One of the biggest concerns for our residents in rural areas is large, heavily laden trucks accessing rural roads that were not designed for such

vehicles. During harvest time when grain is being carted to silos the risk of accidents are multiplied considerably. Mining can operate 24 hours 7 days a week through all weather, which would escalate further the likelihood of accidents occurring.

Our municipality registered 26 serious injury accidents in 2009 and 19 in 2010 on our roads – the flow on of such accidents to communities has multiple effects.

### **Option - Rail**

The road safety aspect of this submission would be addressed considerably if the option of rail transportation was made a key part of any Greenfield development.

### **3. Environment**

Ararat Rural City prides itself on its environmental credibility and its willingness to work with new developments so that the environment is respected whilst encouraging development.

The prospect of Greenfield sites impacting on farmland whilst creating a serious removal of food producing land is one that commercial realities will govern and is beyond Council or planning controls.

Where potential mining sites abut National Parks and crown land reserves with high flora and fauna conservation overlays, we believe greater onus must be put on mine developers to ensure that either mining activities or transportation of materials does not impinge on pristine areas either through noise, vibration or wind carried particles.

With the change over the years by State Government to transfer and cost shift obligations for roadsides to Councils control, we believe increased vehicle activity puts some of the roadside reserves under increasing pressure and subsequently increases Council's obligation to monitor and maintain those roads at a higher level.

In 2005 Council approved its Roadside Management Policy (Relevant Section Attached), which contains 28 actions aimed at improving the management of roadsides within the municipality and we would expect any Greenfield mining development to include such management protocols in their environmental management proposals for the development.

We urge the committee to note that State Government development approvals if superseding Council approvals must respect the local Council policies as they operate at a macro level where environmental impacts are felt most.

### **Conclusion**

Ararat Rural City Council wishes to assure the committee that it has had no complaints from ratepayers at this point regarding the proposed Stavely mine

however we believe that new mines once in to the commissioning phase need to work with local government who are basically the stewards of the publicly owned areas that mines impact upon.

Inclusion of rail transport, sensitivity to roadside vegetation and vehicle load restrictions would help to minimize the social, road maintenance and environmental impacts outside of the mining operation zones.

All of our above comments are based on the fact that any new operational mine immediately turns rateable land in to non rateable as operational mines are exempt under the Victorian Local Government Act.

So in effect Greenfield project development reduces Council's income whilst at the same time has potential to increase Council's environmental and road maintenance costs.

We trust the committee will see fit to make recommendations to the Victorian Parliament that whilst not hindering Greenfield mining exploration and mine development, the Parliament should have some mechanism for local Government to receive compensation in the form of a levy or special rate to offset costs that are shifted to its ratepayers through such developments.

---

**ANDREW EVANS**

**CHIEF EXECUTIVE OFFICER  
ARARAT RURAL CITY COUNCIL  
16/8/2011**

Report prepared by:

Clyde Humphries

Manager – Economic Development & International Relations

Ararat Rural City Council

Phone: 5355 0250

Mobile: 0427 583 577

Email: [chumphries@ararat.vic.gov.au](mailto:chumphries@ararat.vic.gov.au)

Mail: PO Box 246 Ararat 3377

# VICTORIAN RAIL LINES - OPERATIONAL & DISUSED

