



# MINERALS COUNCIL OF AUSTRALIA

## VICTORIAN DIVISION

### VICTORIA 2020-21 PRE-BUDGET SUBMISSION

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NOVEMBER 2019

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## 1. EXECUTIVE SUMMARY

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Mining is a growing sector in Victoria. An expanding and sustainable minerals industry is good for all Victorians – particularly for regional Victoria. A strong minerals industry creates jobs and investment to support more diverse regional economies.

Australian mining is part of the identity of Australian communities and regions. It is a responsive and responsible neighbour, particularly during times of challenge. Mining continues to play its part during times of natural disaster providing practical support to employees and communities – through paid leave for volunteers and donations – and a revenue stream to support and federal government recovery expenditure.

Demand for Victoria's mineral resources will increase. Victoria's mining sector produces gold and Australia's only antimony mine. Victoria is highly prospective in mineral sands, rare earths and base metals. These minerals are used in wind turbines and batteries as well as in technologies such as smart phones and laptops. Victoria can responsibly produce the critical minerals needed to make products we use in every day in modern life.

The development of Victoria's minerals industry should become a priority for Victoria's economy. But Victoria's geological prospectivity alone is not enough for the state to convert its minerals endowment into a pipeline of new investment and jobs. Policy settings are crucial to capture new opportunities for jobs, regional development and investment in mining.

To reduce inequality and narrow the gap in population growth between Melbourne and the regions, mining must be a priority industry for regional development. There is an urgent need to raise Victoria's profile as an attractive destination to invest in mining and to address poor perceptions which have been damaged by the government's gold royalty announcement.

A multipronged and coordinated investment package aimed at reducing costs and distortions against exploration and responsible mining development is required to secure development of the state's resources. There are four short term priority policy areas that MCA Victoria recommends in 2020:

- Delay the imposition of the gold royalty and create a progressive royalty structure that encourages investment
- Reform fees and charges on exploration and resources projects
- Reform the licencing and land tenure regime to world's best practice
- Accelerate and expand TARGET exploration grant funding to encourage exploration and boost investments in pre-competitive geoscience.

Ongoing critical policy priorities remain to:

- Encourage science technology engineering and maths (STEM) education in schools and create pathways to jobs in mining for regional Victorians
- Adopt the model work health and safety regime and support practical safety efforts
- Reduce duplication and overlap between state and federal environmental processes
- Streamline and modernise the legislative framework through reform to the *Mineral Resources (Sustainable Development) Act 1990* (MRSDA)
- Develop policies to maximise community benefit.

These reforms will help ensure regional communities benefit from the development of Victoria's resources in this highly competitive global industry.

The minerals industry seeks to work with government and the community to contribute to a better quality of life through economic, environmental and social improvements. As Victoria enters an

exciting new phase in its long history of mining, the government needs to work closely with the modern and responsible mining sector to deliver the socio-economic benefits mining can bring to Victorians.

## 2. OVERVIEW

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### **MCA Victorian Division**

The MCA Victorian Division represents the interests of member companies operating, exploring and providing services to the minerals industry in Victoria.

MCA Victoria is part of the MCA, the peak industry organisation representing Australia's exploration, mining and process industries nationally and overseas. The MCA's strategic objective is to advocate public policy and operational practice for a world-class industry that is safe, profitable, innovative, environmentally and socially responsible and attuned to the communities' needs and expectations.

MCA member companies are signatories to [\*Enduring Value – The Australian Minerals Industry Framework for Sustainable Development\*](#). Enduring Value articulates the mineral industry's commitment to sustainable development, and is based on the globally recognised International Council on Mining and Metals 10 Principles for Sustainable Development.

### 3. MINING IN VICTORIA – A STATE OF OPPORTUNITY

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The Victorian minerals industry has been an integral part of Victoria's social and economic fabric for over 150 years. Mining is not just about Victoria's past, it is critical to Victoria's future.

Victoria's mining sector produces gold, antimony and brown coal. Significant operations include gold mining in Fosterville, Ballarat and Stawell, antimony and gold in Costerfield and brown coal in the Latrobe Valley. There are a number of mineral sands projects in the pipeline at various stages of development in the Wimmera and East Gippsland.

Exploration projects across the state in gold, lithium and base metals including copper are promising and have the potential to develop into new future mine projects. Developing Victoria's rare earth and copper deposits as inputs to renewable energy such as solar panels and batteries will help embed Victoria in renewable energy markets.

#### Box 1: Selected Victorian gold mines

##### **Bendigo**

Bendigo hosts the Kirkland Lake Fosterville Gold Mine employing over 600 people and Mandalay Resources' gold-antimony mine at Costerfield employing over 200 people.

##### **Ballarat**

The Ballarat Gold Mine employs 161 people and 76 contractors in the Ballarat region. The mine spends around \$55 million in Victoria each year and 110 local Ballarat suppliers work for the mine. Gekko Systems, a Ballarat based globally exporting Mining Equipment Technology and Services (METS) firm, locates its graduate training ground and lab at the mine.

##### **Stawell**

The Stawell Gold Mine reopened on 1 January 2019 and employs almost 200 people. The mine's local procurement policy means that around three quarters of its spending is within Victoria.

#### Mining in the Victorian economy

Mining supports regional development and this can be expected to grow if government policy settings are balanced.

The minerals sector represents a strong economic return to the state given the small footprint of mining:

- Almost 16,000 Victorians are directly employed in the resources sector.<sup>1</sup> Including the METS sector, around 121,000 jobs are supported by the industry in Victoria.<sup>2</sup> These include a range of jobs including equipment manufacturing and computer systems design.
- Around 95 per cent of jobs in mining are full time and average fulltime wages are higher than the national average.<sup>3</sup>
- The minerals and METS sector's combined economic contribution to the Victorian economy was estimated to be worth \$13.6 billion in 2015-16<sup>4</sup> which is around four per cent of Victoria's Gross State Product (GSP).<sup>5</sup>

Victorian mines buy local. Around three quarters of their spending stays in Victoria. The industry spent more than \$300 million in wages, goods & services and taxes in Victoria last year.

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<sup>1</sup> ABS Labour force Series cat no. 6291.0.55.003.

<sup>2</sup> Deloitte Access Economics, op. cit.

<sup>3</sup> ABS cat no. 6291.0.55.003, [Labour Force, Australia, Detailed](#); Australian Bureau of Statistics, *Average Weekly Earnings, Australia, Nov 2017*, ABS cat. no. 6302.0, released on 22 February 2018.

<sup>4</sup> Ibid.

<sup>5</sup> Deloitte Access Economics, *Mining and METS: engines of economic growth and prosperity for Australian, Victoria in focus*: fact sheet, Prepared for the Minerals Council of Australia, 2017.

Mining pays all the state taxes and charges other businesses pay plus special mining charges. Mining paid \$101.6 million in 2017-18 in minerals license fees, land rentals and royalties.<sup>6</sup>

Innovative technologies are supported by modern mining. The minerals sector employs more physicists than any other industry and is the third largest employer of chemical, industrial and mechanical engineers and environmental scientists.<sup>7</sup>

Victoria's potential for further development in mining and as a hub for the METS sector provides opportunities across the state in a range of occupations including the STEM fields for young Victorians as mining continues to adopt new technologies in the pursuit of more productive, safe and environmentally sustainable operations.

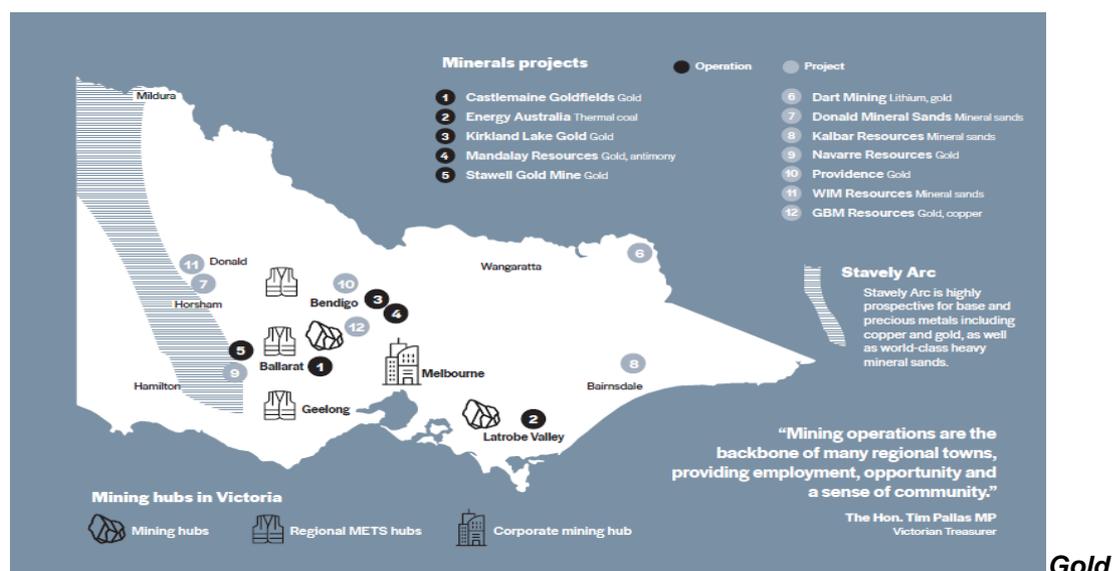
### Mining and regional development

As a regional industry, minerals projects play an important role in regional development within Victoria. Mining creates high paying jobs for regional Australians and supports a large supply chain of small and medium sized businesses.

Turning Victoria's mineral endowment into new investment will create economic opportunities in regional Victoria. The development must be sustainable by balancing environmental, social and economic issues. Modern mineral resource development can co-exist with other land uses and conservation objectives to create diverse regional economies and more jobs.

The 2015 *Regional Economic Development and Services Review*, chaired by The Hon John Brumby, identified potential for further development of Victoria's earth resources to 'drive inclusive growth, and create regional jobs'.<sup>8</sup>

### Box 2: Commodities mined in Victoria



Gold production occurs at three operations near Bendigo and Ballarat and is almost double what it was less than five years ago and significantly higher than it has been for decades (see Chart 1). Gold has an increasing number of industrial uses in high end electronics and aerospace and the development of nanotechnology is introducing new applications for gold in medicine.

### Antimony

Victoria hosts Australia's only antimony mine located at Costerfield near Heathcote. Production of antimony commenced in Victoria in 2005 and is used in batteries and fire retardent.

<sup>6</sup> [Earth Resources Regulation, 2017-18 Statistical Report](#), p. 16.

<sup>7</sup> Department of Employment, *Job Outlook 2017*; MCA calculations. NB these figures are estimates of the total number of workers directly and indirectly employed by the resources sector.

<sup>8</sup> State of Victoria, *Regional Economic Development and Services Review, 2015*.

## Mineral sands

Mineral sands are an increasingly important part of Victoria’s minerals industry. Mineral sands are used in aircraft engines, fibre optics, car paint, aircraft engines and pharmaceuticals.

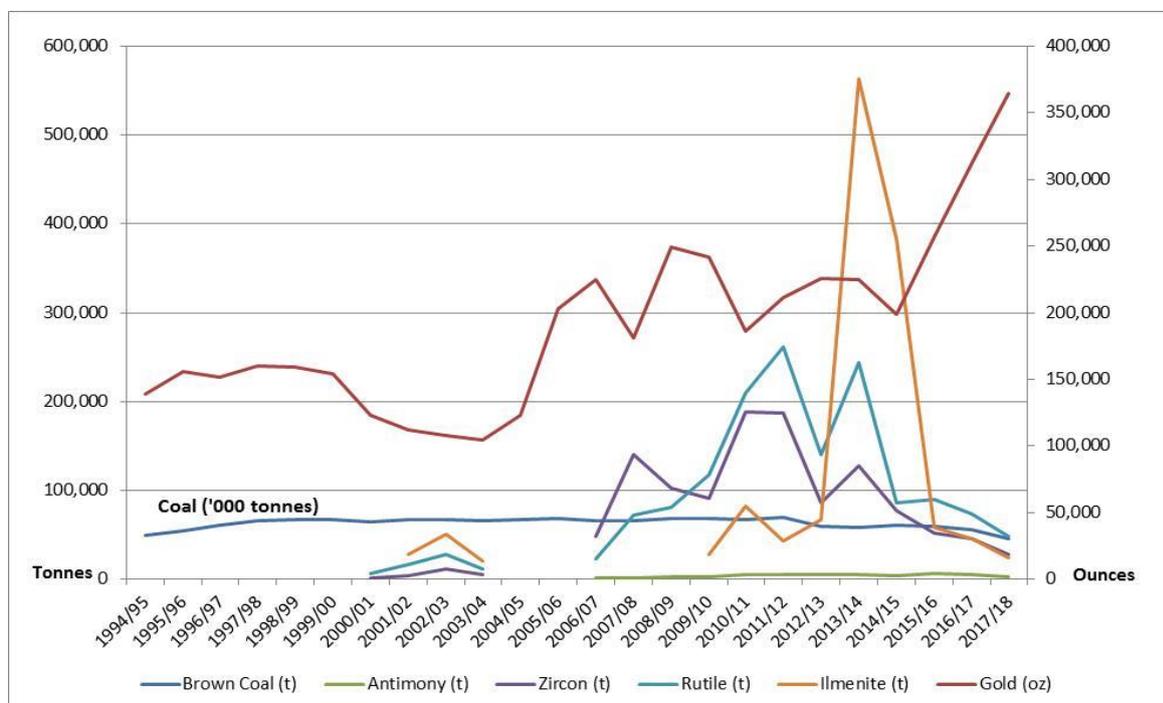
Victoria has six projects in the pipeline to produce ilmenite, rutile and zircon in the west of the state and in the Gippsland region. Major mineral sands projects are at various stages of development.

## Coal

Approximately 430 million tonnes of brown coal is located in Victoria with most of this resource in the Gippsland Basin.<sup>9</sup> Power stations in the Latrobe Valley generate around three quarters of Victoria’s energy supply.

Beyond its use as a source of fuel, brown coal has a range of alternate applications including hydrogen production, fertiliser production for agriculture and the manufacture of materials such as carbon fibre. The Hydrogen Energy Supply Chain (HESC) Pilot Project, which aims to demonstrate the production of hydrogen from Latrobe Valley brown coal provides opportunities for the Gippsland region develop new products and industries.

**Chart 1: Victorian minerals production (1994-95 to 2017-18)**



Source: Earth Resources Regulation Statistical Report, DEDJTR

Developing Victoria’s mineral sands and copper deposits will embed Victoria into the renewable energy supply chain. Victoria’s rich mineral sands, rare earth and copper deposits are key inputs for solar panels, wind turbines and batteries.

## Victoria as a global hub for mining and METS

Victoria is a natural hub for the METS sector with manufacturing and service businesses supplying mining operations across Australia and globally from regional centres and metropolitan Melbourne.

METS is a \$15 billion a year national export industry providing services to over 200 countries.<sup>10</sup> Australia’s METS sector offers opportunities for exporting Australian technology and know how developed in Australian mines. The sector provides highly skilled job opportunities for Victorians in manufacturing, 3D printing, engineering and safety innovation.

<sup>9</sup> State of Victoria, [Earth Resources – Lignite/Brown Coal](#), Department of Economic Development, Jobs, Transport and Resources, 4 March 2016.

<sup>10</sup> Deloitte Access Economics, *Mining and METS: engines of economic growth and prosperity for Australians*, Report prepared for the Minerals Council of Australia, 2017.

## Exploration activity

Without new exploration and investment to unlock Victoria's minerals, Victoria will miss the next wave of mineral development opportunities. A healthy pipeline of projects underpins long term viability by increasing the quality and quantity of mineral discoveries.

Exploration spending has tripled in Victoria over recent years reaching \$102 million in 2017-18<sup>11</sup> and geological studies confirm the state's minerals prospectivity.

Geological Survey Victoria (GSV) indicates that several multi-million ounce gold deposits are yet to be discovered. The 'Stavelly Arc' stretching across the west of the state is highly prospective for base and precious metals including copper, gold and heavy mineral sands. Known mineral sands endowments also exist in the Murray and Gippsland Basins.

The Victorian government's investments in pre-competitive geoscience and co-funded exploration under the TARGET program are important policy tools to help ensure the Victorian community can benefit from the development of the states resources.

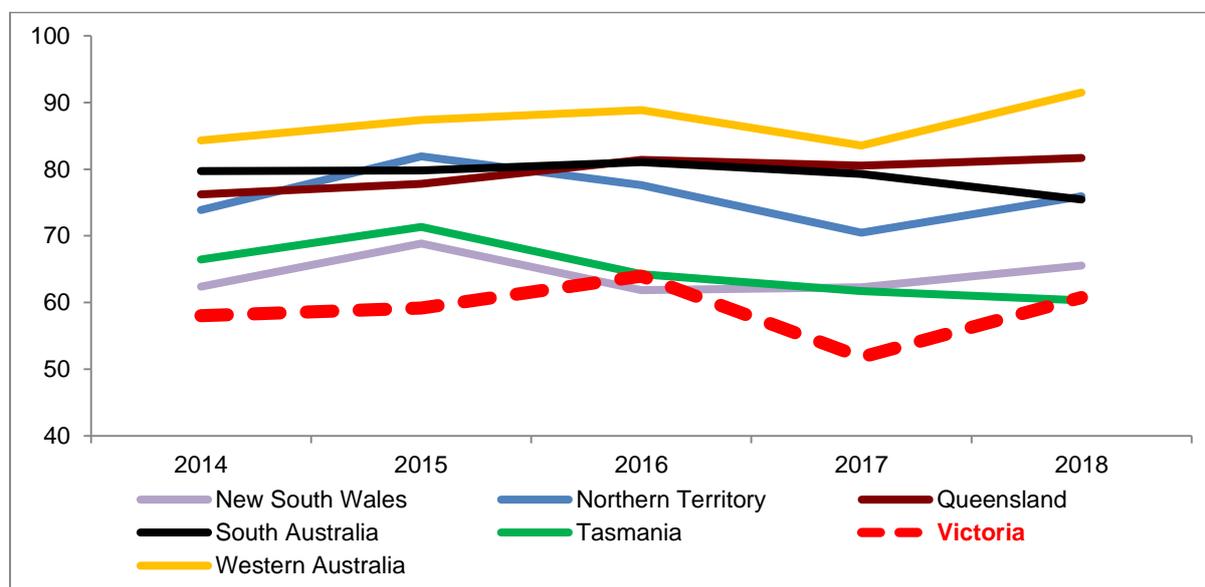
There are, however, risks to exploration expenditure. The government's 2019 Budget announcement to impose a large gold royalty on all mines in Victoria with only six months notice and without consultation on the design will cut into exploration spending at Victoria's mines which risks curtailing mine life and impact future discoveries.

## Improving Victoria's attractiveness as a destination for minerals investment

Victoria ranks poorly on perceptions of public policy on mining investment according to the Fraser Institute's Annual Survey of Mining Companies. The latest Fraser Institute Survey ranked Victoria 43<sup>rd</sup> out of 83 jurisdictions globally in its Investment Attractiveness Index.<sup>12</sup>

Within Australia, Victoria now ranks behind every state other than Tasmania. Poor perceptions of Victoria as a destination for minerals investment are driven by uncertainty in project approval and regulatory regimes and regulatory duplication and inconsistencies.

**Chart 2 : Fraser Institute Policy Perception Index 2018**



Source: Fraser Institute, *Survey of Mining Companies 2018*

While the survey is about perceptions, it can be a useful guide for policy makers on how Victoria fares compared to competitor jurisdictions on perceptions of risk which matter in global investment markets.

<sup>11</sup> Department of Jobs, Precincts and Regions, *Earth Resources Regulation Annual Statistical Report, 2017-2018*.

<sup>12</sup> Fraser Institute, *Annual Survey of Mining Companies 2018*, Fraser Institute, 2018.

The *Regional Economic Development and Services Review* identified reform as necessary to ‘make Victoria competitive in a global market for earth resources projects, particularly to overcome excessively lengthy, costly and uncertain processes to obtain environmental and planning approvals’.<sup>13</sup>

The Government’s *State of Discovery: Mineral Resources Strategy 2018-2023* was strongly welcomed by industry. The strategy reaffirms that the minerals industry is a significant contributor to the Victorian economy and provides a framework to grow industry and create more jobs in regional Victoria through greater investment attractiveness, more engaged communities and modern regulatory regimes.

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<sup>13</sup> State of Victoria, *Regional Economic Development and Services Review*, 2015.

## 4. AGENDA FOR GROWTH

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### Positioning Victoria as a destination for minerals investment

Resource endowment alone does not guarantee a future in mining. The minerals industry is a global industry. Investment decisions are geared to locations that have policy and regulatory settings that minimise investment and operational risks. Victoria needs long term, predictable policy and regulatory settings.

The MCA Victoria recommends the following priority actions.

#### Priority actions

##### **Gold Royalty**

*Recommendation:* The gold royalty should be delayed and considered as part of a broader reform process examining the overall cost competitiveness relating to fees, taxes and charges in Victoria that the government intends to carry out in 2020.

The design of the gold royalty announced in the 2019 Budget was not informed by consultation which could have pointed to the unintended impacts on mining and regional communities. Consideration of modest reforms should take place including:

- An exploration offset to remove impacts on reinvesting in exploration
- A progressive royalty rate structure like income tax with a gold price floor to reduce impacts on Victoria's competitiveness for global gold investment
- Staged implementation to reduce retrospectivity.

A comprehensive consideration of taxes on mining in a proper and transparent consultation process is required given that there was insufficient consultation on the royalty design.

##### **Genuine reform of fees and charges**

*Recommendation:* Reform fees and charges on exploration and resources projects.

The 2014 fees and charges regime requires urgent reform. The MCA welcomes the government's intention to review existing fees and 'rents' on exploration, retention and mining licences consistent with the Commissioner for Better Regulation's 2017 '*Getting the Groundwork Right*' report recommendation that the government review the cost recovery arrangements and fees.

The 2014 fee and charges regime increased costs for exploration. A 'rent' charge on exploration licences was imposed setting a minimum cost of \$5,000 scaling up to around \$90,000 over five years depending on the area size. Various new fees and charges were also imposed on applications, variations and transfers under cost recovery model for Earth Resources Regulation on all industry participants. In 2017-18, mining paid \$800,000 in fees and charges and \$1.7 million in rents alone.<sup>14</sup>

Genuine reform will require:

- Reconsideration of the 'rent' on exploration licences. Exploration licences that do not generate income and investment in exploration should be encouraged, not discouraged through a 'rent' charge that reduces capital available for investment into drilling.
- Consideration of the average cost of a mining licence in Victoria (including work plan variations that increase the costs further and are regularly incurred).
- Mechanisms to ensure the cost recovery model translates into improved efficiency in regulation.

The MCA looks forward to constructive engagement on a genuine process with reforms to make sure Victoria's fees, charges and tax regime is fair and competitive.

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<sup>14</sup> [Earth Resources Regulation, 2017-18 Statistical Report](#).

### ***Genuine reform of the licencing regime***

*Recommendation:* Commence a consultation process to reform the licencing regime.

Reform to land tenure is critical and must commence in 2020 to remove inefficiencies and distortions in the land access regime holding up exploration and development in Victoria.

The Economic Development and Infrastructure Committee recommended in 2012 that the Victorian government review the mining licenses framework (agreed to by the then government). There has been no action to review it and check that it is meeting its original objectives. The previous government committed to a review within five years (2017), as a reasonable time frame to assess the regime.

Reforming the state's current licencing regime presents an opportunity to create a leading practice tenure framework. Such a framework must:

- Reflect Victoria's unique geological characteristics
- Reflect realistic exploration and project timeframes; and
- Reduce the administrative burden.

The regime is not meeting its objectives and has been in place for almost a decade. While the current regime's objective of maximising exploration effort and preventing land banking is sound, the licencing regime is based on land turnover which does not result in a faster discovery rate. Further, the current tenure framework imposes an overly prescriptive approach to licences.

The two main issues that require urgent reform are the artificial land relinquishment requirements and the short five year terms for exploration licences. The land relinquishment rules can result in an explorer losing 40 per cent of the original area after only four years and exploration licence terms of five years are too short.

The MCA recommends a review and the following reforms:

- **More closely align exploration licences terms and renewals with the time it takes to get approvals.** Exploration licences can only be extended once for five years once (then by up to two years with some difficulty) which does not align with the significant amount of time and common delays to approvals in Victoria.
- **Reconsider the compulsory relinquishment requirements** which distort the amount of land licences take and work against exploration by taking ground away too quickly based on prescriptive requirements not grounded in the reality of exploration.

These reforms would create a secure tenure framework critical to encouraging exploration, better reflect project timeframes and reduce administrative burdens.

### ***Encouraging new exploration***

*Recommendations:* Expand eligible areas for the TARGET exploration grants program and issue round 3 of the TARGET Grants program in early 2020.

Expanding investment eligibility under the TARGET co-funding exploration program would maximise the value of this program. Ongoing investment is necessary to increase confidence and encourage further exploration activity and should be achieved by:

- **Expanding investment eligibility** to more areas of the state beyond specific land releases will maximise the value of this program. This should involve broadening it to new areas including the north east where GSV seismic work has taken place.
- **Round 3 should be rolled out in 2020** with the recent North Central Goldfields ground release. TARGET grants should closely follow the announcement of successful tenders in early 2020.

Pre-competitive geological survey work is a public good. Investments in pre-competitive geoscience by GSV are helping to build a greater understanding of Victoria's resources endowment. MCA Victoria encourages the government to implement the recommendations in the Resources Strategy as a priority to:

- Undertake 'innovative modern pre-competitive data acquisition'
- Modernise geoscience data capture and delivery systems
- Undertake more analysis and programs to identify new opportunities
- Include a requirement in all Victorian government major project construction contracts to collect and make available to the GSV, geological data and core samples.

### **Safety and health**

*Recommendation:* Adopt uniform national health and safety legislation and provide support for dedicated Victorian Mine Rescue training facilities.

The minerals industry's number one value and commitment is that everyone who goes to work in the industry returns home safely.

Safety and health issues are integrated across various operations across the nation. To bring greater certainty, efficiency and clarity to industry participants, Victoria should adopt:

- Uniform national occupational health and safety legislation; and
- The Model Work Health and Safety regime to help ensure that compliance challenges do not detract from the practical tasks of identifying, managing and minimising risk.

A continuous improvement approach where all parties work together in support of a safety culture based on trust and openness which helps build effective work health and safety outcomes.

Practical measures led by industry to improve safety are critical. In partnership with member companies, MCA Victoria hosts the annual Victorian Mines Rescue Competition to help build rescue and emergency response capacity. WorkSafe Victoria provides some sponsorship for the event.

The government should consider support for purpose built training facilities to ensure Victorian mine rescue teams can undertake the Certificate III in Mine Emergency Response & Rescue in Victoria. Currently, a number of Victorian mine rescue teams must travel to NSW to undertake training at purpose built facilities with confined space, special equipment and fire training grounds to gain the certification. Victorian mines and METS safety firms have the capacity to offer this. Having a significant pool of highly trained rescue personnel in Victoria contributes to the minerals industry's commitment to zero harm.

### **Future Workforce**

*Recommendation:* Partner with industry to encourage education pathways to jobs in mining.

As a growing and high tech industry, access to a skilled labour pool for mining in Victoria is a critical concern.

Two thirds of the mining workforce has a Certificate III or higher, 26 per cent of the mining workforce holds a university degree. Mining is changing with the rates of technology adoption reshaping the skills required in the current and future workforce.

The MCA supports the Victorian Minerals Strategy's aim to improve skills development for mining and METS and skills attraction to regional Victoria. This includes entering into partnerships with the MCA to create pathways into the sector for Victorian students.

New VET courses tailored to future Victorian mining job demand should be developed to address skills shortages and skill local workers to take advantage of job opportunities in regional Victoria.

For example, the MCA is working with the Victorian Skills Commissioner to develop a mining training package which includes a new Certificate IV course in metalliferous mining aimed at creating pathways to employment especially within mineral sands development. Skilling local workers to fill the expected future demand will help reduce impacts on other industries in mining regions.

The Minerals Tertiary Education Council (MTEC) run by the MCA has made more than \$60 million of direct investment in higher education over the past decade in mining engineering, metallurgy and other courses in partnership with universities including Monash University. The MCA is investigating ways to improve mining engineering education and align it to the modern mining sector, as well as developing contemporary training options such as microcredentials. The MCA commissioned EY's *The Future of work*: [the changing skills landscape for miners](#) and [the economic implications of technology and digital mining](#) – a comprehensive examination of future skills and training and technology trends in the Australian minerals industry to help inform the development of a roadmap to build workforce capabilities.

The MCA welcomes the Council of Australian Governments (COAG) Energy Council's commitment to address skills in the resources sector as a priority issue and encourages Victoria's active support and participation.

#### *Support for education programs and STEM*

The minerals industry is concerned about the decline in participation in STEM subjects in schools which are prerequisites to many tertiary level courses that are pathways into mining.

The mining industry has developed and supported a number of initiatives to increase the awareness of careers in mining and support programs encouraging young people to pursue careers in STEM:

- The industry supports online resources for teachers and professional development through the Teacher Earth Science Education Program (TESEP) and Oresome Resources online portal providing free educational resources on minerals and energy.
- Sponsors Victoria's Science Talent Search encouraging primary and early high school students pursuing science studies.
- The MCA's mining careers guide has been provided to secondary schools in Victoria and is available digitally to support science teachers and careers advisers as part of the state government's initiative to ensure all high school students have access to careers advice.

The Victorian government's TECH Schools, including those in regional areas, are an excellent initiative which mining is looking to support with real life technology challenges in mining.

Earth sciences should be encouraged as part of the curriculum in schools to ensure students understand environmental and resource challenges and inspire Victorian students to consider further studies in geology, environmental science and engineering.

MCA Victoria will continue to contribute to education and skills policy in our state in partnership with government.

#### **Minerals industry partnerships with Aboriginal Peoples**

*Recommendation:* Work with industry to support Native Title and Indigenous Cultural Heritage laws and procedures in Victoria.

The MCA supports the minerals industry aim to engage with Aboriginal and Torres Strait Islander peoples, including Traditional Owners, to achieve shared and sustainable benefits.

Recognising culturally significant heritage, maximising economic opportunities and building strong partnerships are critical principles to engage and partner with Indigenous peoples, communities, groups and organisations across Australia.

Mining seeks leading practice approaches to industry partnerships as well as policies and programs relating to minerals development founded in a long-standing belief that minerals development should assist Indigenous peoples and communities to achieve their own aspirations and priorities.

MCA Victoria has negotiated Regional Indigenous Land Use Agreements in the past and seeks to work with government and Traditional Owners to ensure indigenous rights and interests are respected. MCA Victoria has also published an Explorer's Guide to support Native Title and Indigenous Cultural Heritage laws and procedures in Victoria.

MCA Victoria seeks to work with government and Indigenous peoples, including Traditional Owners, to ensure shared benefit and respect as the industry grows.

### **Environmental policy and regulation**

*Recommendation:* Adopt measures to remove duplication and inefficiencies in approvals without reducing standards.

MCA Victoria supports high standards of environmental protection supported by a risk-based regulatory framework grounded in science. Predictable, efficient and effective environmental regulation underpins industry and community confidence.

MCA Victoria looks forward to working with government to support the establishment of the Mine Land Rehabilitation Authority and Post Closure Fund in 2020. MCA Victoria supports the aims of the government's recent new mine rehabilitation regulations to create clear and predictable mine closure regulation meeting environmental and social considerations.

Priority reforms in environmental regulation are reforms to remove areas of duplication within Victoria's legislation and with federal laws to address the protracted approvals timeframes, often due to the multiple regulators involved, which remain a significant concern to industry.

An approvals bilateral agreement should be pursued with the Commonwealth Government to remove duplication between state and Commonwealth environmental laws. An October 2014 assessment bilateral agreement between the Commonwealth and Victorian Governments was discontinued. This is despite significant overlap between the Commonwealth's *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and the *Victorian Environment Effects Act 1978* and *Flora and Fauna Guarantee Act 1988*.

These measures would reduce the regulatory burden without diminishing environmental standards.

### **Strong relationships with communities**

Partnering to support social inclusion and development in host communities and across society is a key commitment of the sector.

MCA Victoria will work with the government on designing an effective scheme to ensure regional communities hosting exploration and mining operations benefit through addressing disadvantage and improving the business environment for all industries. The introduction of a Community Contribution Scheme should aim to ensure host communities benefit from long term infrastructure, build resilience and improve socio-economic outcomes.

Land use co-existence can be improved through greater use of strategic land use assessment and planning approaches underpinned by the COAG Energy Council's Multiple Land Use Framework which provides a national outline of principles to promote best use of Australia's land resources.

The MCA land sharing guide was published in 2017 in partnership with the Victorian Farmers Federation to support landholders and promote mechanisms that enable mutual benefit between mineral companies and landowners. The MCA notes that the government has also published a land access guide and template agreement.