



VICTORIAN  
DIVISION

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Local Government Act Review Secretariat  
C/o Local Government Victoria  
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### **Local Government Bill Exposure Draft**

The Minerals Council of Australia Victorian Division (MCA) is pleased to provide comment on the *Local Government Bill* Exposure Draft.

The MCA is profoundly disappointed that the Bill removes the exemption for mining land.

MCA's submission to the Local Government Act Review - *Act for the future - Directions for a new Local Government Act* noted that the exemptions discussion focused almost exclusively on considering the removal of the exemption from land used exclusively for mining purposes from the definition of rateable land (the exemption). It draws solely on arguments and analysis put forward in a report commissioned by Horsham Rural City Council to do this. Unfortunately those arguments are highly problematic and are now reflected in the Bill. These arguments were detailed extensively in the MCA submission (September 2016).

It is therefore difficult not to conclude that the removal of the exemption is a blatant cash grab. It appears to be simply based on the false and narrow argument regarding equity, specifically the industry's apparent 'capacity to pay'. The distinct absence of 'equity' regarding council services to mine sites was given little consideration.

In the absence of the exemption provision, how will land be specifically assessed as rateable? Applying the capital improved value of the land where mining occurs is problematic as most infrastructure and improvements to the land are specifically related to the operation of mining; are temporary; and are removed following completion of mining.

The removal of the exemption makes the administration of the Bill onerous and will require significant assessment for the apparent 0.06% contribution to total rates and charges collected in 2014-15 as referenced in the review (which was inaccurate and inflated).

If the Bill is to be tabled with the removal of the exemption, the MCA presumes comprehensive consultation with industry will be undertaken to appropriately categorise the land upon which mining occurs and what value is rateable.

Yours Sincerely

A handwritten signature in black ink that reads "M. Davison".

Megan Davison  
Executive Director, Victoria