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ECONOMIC ACTIVITY

This Clause provides local content to support Clause 17 (Economic development) of the State Planning Policy Framework.

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Tourism

Key issues and influences

- The tourism sector is a major driver of the economy of the Alpine Shire attracting more than a million visitors a year from all over Australia, and increasingly from overseas.
- The tourism industry is underpinned by the proximity of the alpine resorts; all-year round nature and adventure based activities; and the environmental values and scenic / landscape qualities of the Shire.
- The Shire also boasts a range of exceptional tourism products from quality wine and food establishments through to the historic settlement of Wandiligong and the wide range of accommodation offerings.
- Combined with the alpine ski resorts of Falls Creek and Mount Hotham, tourism is worth around \$300 million per annum to the region.
- Rural based tourism has a vital role to play in the continuing economic success and development of the Alpine Shire.
- Ongoing growth in tourism is expected.
- The Alpine National Park and Mount Buffalo National Park both present significant opportunities for the development of nature and adventure based activities focussed around a diversity of environmental values and scenic / landscape qualities of national significance.
- Apart from injecting money into the local economy, tourism benefits the community by employing around 25% of the Shire's workforce, creating business and development opportunities and improving services.
- The benefits of tourism need to be balanced against the potential negative impacts, including:
 - Impacts on local communities through loss of amenity, pressure on infrastructure (water supply, wastewater treatment, waste disposal, roads, car parking) and environmental damage;
 - Pressure for higher density and larger scale urban tourist development, which can compromise existing character and appearance of townships and villages;
 - Pressure for tourism development on productive rural land as well as land in remote and environmentally sensitive locations which has potential to compromise the natural environment, scenic views, landscape values and agricultural activities.
 - Climate change is likely to impact on tourism.

Objectives

- Enhance and expand the tourism industry, while protecting the environmental, landscape and cultural values of the Shire and the lifestyle of its residents.
- Facilitate the growth of rural based tourism in a manner that builds on and complements the agricultural industry and environmental assets.
- Encourage a diverse range of tourist activities and facilities in appropriate locations to meet changing visitor needs.
- Generate increased visitation, yield, length of stay, and visitation dispersal, both geographic and seasonal.

ALPINE PLANNING SCHEME

- Ensure that the stimulation of tourism by development and promotion is carried out within the constraints of public land management objectives to preserve and protect the natural environment, and conserve flora and fauna.
- Minimise the negative impact that tourism can have on the built and natural environment within the Shire.

Strategies

- Encourage and support development at Dinner Plain that compliments the year round vision of the village.
- Support Mount Hotham and Falls Creek not only as premier snow skiing destinations but as all-year round destinations.
- Recognise that the alpine approaches to Mount Hotham and Falls Creek warrant special attention in the context of planning and development.
- Ensure new tourism development uses high quality, low intensity, unobtrusive, site responsive buildings and works based on ecologically sustainable design principles.
- Encourage use and development that will increase visitor length of stay and increase visitor numbers throughout winter and summer periods.
- Facilitate the provision of appropriate infrastructure to support the tourism industry including nature based and agriculture based land uses.
- Ensure that rural based tourism is linked to agriculture, agri-tourism or the natural environment, reinforcing the predominant use of the rural area for agricultural production and maintaining the rural character of the area.
- Ensure that rural based tourism builds on and is compatible with other rural land uses and protect the landscape, environmental and heritage values of the area.
- Ensure that rural based tourism protects key environmental features, preserves land of high scenic quality, recognises the importance of the natural and built environment and is sensitively designed and located in the landscape to avoid adverse visual impacts.
- Promote agri-tourism uses, encouraging and promoting non-traditional agri-tourism experiences.
- Facilitate growth in tourism to assist with diversification of the economy, encouraging new tourist development in appropriate locations.
- Encourage growth in rural tourism and facilitate future tourism opportunities to diversify the rural economy.
- Encourage new tourist development in appropriate rural locations.
- Provide diversity in tourist attractions, accommodation and eating establishments.
- Service the needs of people visiting the natural features of the area such as the Alpine Resorts and national parks.

Implementation

- The strategies related to tourism will be implemented through the planning scheme by:

Using policy and the exercise of discretion

- To advance local policy at Clause 22.03-1 in respect of tourist use and development to facilitate this, and other economic activities.

Application of zones and overlays:

- Apply the Public Conservation and Resource Zone to protect and conserve the historic, natural and cultural values of the Shire's environmental and therefore its economic assets identified from the precinct areas stipulated in the Alpine Shire Rural Land Strategy 2015.

ALPINE PLANNING SCHEME

- Applying a Special Use Zone to Mount Hotham Airport, Dinner Plain and Bogong Village to encourage more intensive tourism development.
- Apply the Public Park and Recreation Zone to recognise areas for public recreation and open space.
- Apply Significant Landscape Overlays to protect the visual quality of landscapes identified by the National Trust and other identified significant rural landscapes such as the Buckland, Happy, Harrietville, Upper Kiewa Valleys, Lake Buffalo and Buffalo which form part of the Shire's natural tourism offering.
- Apply the Design and Development Overlay to enhance the design and built form of Mount Beauty and Wandiligong.
- Apply the Heritage Overlay to buildings, areas, places and sites identified as having heritage significance across the municipality to support the economy of the shire through its heritage offering.

Further strategic work

- Prepare a Tourism Strategy for the Shire that identifies strategic directions for tourism including focus for the type and locations of preferred tourist outcomes.
- Investigating with Department Environment, Land, Water and Planning options for broadening the scope for limited tourism opportunities in the Rural Conservation Zone to support nature based tourism use and development that is compatible with the conservation values of remote rural areas.

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Commercial and industrial

Key issues and influences

- Commerce is limited to retail and service business in the major townships. This is geared towards the local community and tourists.
- Ongoing need to identify and assess resources.
- Major retail requirements are met by the regional centres of Albury/Wodonga and Wangaratta.
- Opportunity for attracting value adding business and industry to complement the agricultural sector.
- Agriculture in the Alpine Valleys region supports a rich and diverse agrifood sector including growers, processors, marketers and associated service providers.
- Significant warehouse and processing plant opportunities are available along the Myrtleford-Yackandandah Road in Myrtleford.
- Mount Beauty Airfield and surrounds is seen as providing an important opportunity for light industrial and air-park development.
- Climate change is a significant environmental consideration for the Alpine Shire however it can also present economic opportunities.
- The geography of the Shire ensures that it will have a greater security of water for business and industry than many other locations.
- The impacts of industrial and employment uncertainties in key business sectors and natural disasters can be significant on the local economy.
- Boundary issues particularity in locations where residential uses are situated nearby.

ALPINE PLANNING SCHEME

Objectives

- Recognise and reinforce the important commercial, service and employment roles played by Bright, Myrtleford and Mount Beauty/Tawonga South.
- Facilitate the growth of current businesses and work to attract new business to the Shire.
- Maintain and enhance the economic competitiveness, performance and viability.
- Promote the Shire as a desirable and attractive place to work, live, visit and invest.
- Capitalise on the opportunities that climate change may bring.
- Support the elimination of telecommunication black spots.
- Support the development and installation of improved telecommunications including the National Broadband Network in appropriate locations.
- Encourage value adding business to complement and support agricultural production.
- Promote appropriate landscaping in commercial and industrial areas.

Strategies

- Continue to seek the attraction of greater levels of investment and funding into the Shire.
- Avoid inappropriate commercial and industrial land use and development that could impair the unique and highly significant tourism attributes of the Shire.
- Recognising that development of the digital economy is a great opportunity for rural business growth across the Shire.

Implementation

- The strategies related to commercial and industrial land use and development will be implemented through the planning scheme by:

Using policy and the exercise of discretion

- To advance local policy at Clause 22.03-4 in respect of industrial areas in Bright, Myrtleford and Mount Beauty/Tawonga South and in conjunction with local policy at Clause 21.07 in respect of Porepunkah Aerodrome and Mount Beauty Airpark.

Application of zones and overlays

- Apply the Commercial 1 Zone in the towns of Bright, Mount Beauty and Myrtleford to allow for further expansion.
- Apply the Mixed Use Zone in the towns of Porepunkah and Tawonga South to designate them as mixed use activity clusters.
- Apply the Industrial 1 Zone to the Existing industrial areas in Bright, Mount Beauty and Myrtleford to allow for further expansion.
- Apply the Industrial 2 Zone to Myrtleford Mill to allow for increased growth.
- Apply the Special Use Zone to the airfields in Mount Beauty, Porepunkah and Mount Hotham facilitating a mix of development and uses.
- Apply the Significant Landscape Overlay to Alpine areas and significant landscapes to protect natural tourism assets identified in the Alpine Shire Rural land Strategy 2015.

Other implementation measures:

- In addition to the planning scheme, the strategies will also be implemented through the increased interaction between planning and tourism/economic development within the Council.

Further strategic work

- Review and update the Shire Economic Development Strategy to promote and attract new and alternative business activities particularly related to value adding outcomes.
- Investigate application of the Industrial 3 Zone for land located in proximity of the Myrtleford Mill.

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Agriculture

Key issues and influences

- The total area available for agriculture in the Alpine Shire is around 70.7km² and in 2006 generated around \$47.4 million (\$670/ha excluding tobacco).
- Livestock particularly beef cattle, milk, fruit and nut production, cut flowers, hay production, hops and grapes are the major contributors to value of agricultural production in the Shire.
- There is a significant diversity in the Shire's farming sector that ranges from small family run farms all the way up to larger corporate farms run with new production methods to increase productivity.
- The closure of the tobacco industry in 2006 has left a significant legacy in skills and infrastructure for intensive horticultural production.
- There are opportunities for growth and replacement activities include green tea, capsicum, grapes, berries, vegetable seeds, hops, tree crops and essential oils.
- There is significant scope for value adding as well developing rural dependent enterprises to provide new development in the agricultural and associated industries and provide employment opportunities.
- The Shire's mineral potential could lead to important development opportunities.
- The Alpine Shire has the natural attributes, soil types, climate, and water availability that make it capable of producing a wide range of agricultural products. Areas of high agricultural capability are evident in the Kiewa Valley, the Happy Valley, Mudgegonga and Rosewhite areas as well as around Myrtleford and the Buckland Valley.
- A key constraint to the scale of the agricultural industry in the Alpine Shire is the area available for agriculture, constrained to the narrow valleys between steep mountain ranges.
- There is a continuing shift towards more intensive agricultural industries and boutique, lifestyle or part time farming. This is changing the rural landscape of parts of the Shire.
- There are many drivers that continue to contribute to structural changes in agriculture and subsequent landscape change across not only the Shire but all of rural Australia.
- Inappropriate development and subdivision can remove land from productive rural use, create conflict with rural activities, fragment land holdings and creates pressure for dwellings.
- Remote rural areas of the Shire are generally located in areas of high conservation significance and include land holdings aligned within significant landscapes and touring routes, some of national significance. These areas are under increasing development pressure.
- As a legacy of the original Crown grants, gold mining and tobacco there are a significant number of small rural lots particularly along the river flats of the Ovens, Buffalo and Buckland Rivers.
- Climate change will likely have both positive and negative impacts on productivity and farming systems requiring adaptation and modification of farming practices.

Objectives

- Maintain a viable and sustainable agricultural industry to support the municipal economy and wellbeing.

ALPINE PLANNING SCHEME

- Maintain and protect strategically significant agricultural land for production.
- Facilitate rural industries and value adding in rural areas that support the agricultural sector.
- Support rural based/agri-tourism in appropriate locations.
- Support value adding and rural dependent enterprises.
- Encourage alternative forms of sustainable agriculture that increase farm viability.
- Recognise the mineral potential within the Shire and its impact on the environment and community.
- Recognise the agricultural importance of the highly productive valley floors and to protect such land from inappropriate development and land use especially residential expansion.
- Recognise the environmental significance of remote rural areas and to protect such land from inappropriate development and land use.
- Acknowledge the various rural precincts identified across the Shire and that a one-size-fits-all approach will not necessarily deliver preferred land use outcomes.

Strategies

- Recognise and protect the importance of primary production to the sustainable economic future of the Alpine Shire.
- Facilitate the provision of appropriate infrastructure in key locations to support the tourism industry including nature based and agriculture based land uses.
- Support, in appropriate locations, the use and development of land for rural dependent enterprises providing an opportunity to explore new developments in the agricultural and associated industries and provide employment opportunities.
- Reinforce agricultural production as the primary purpose of the Farming Zone.
- Protect agricultural land from inappropriate use and development such as isolated non-agricultural uses including residential and tourism uses.
- Minimise the loss of broad acre commercial farming units through subdivision for inappropriate land uses.
- Protect the locational competitive advantages for agriculture in rural precincts.
- Foster and enhance an expansion of 'clean and green' agriculture.
- Facilitate the growth of key agricultural activities and associated rural industries to maintain and enhance the economic base of the municipality.
- Support and encourage the expansion of the horticultural industry, recognising that horticultural activities may be legitimately established on smaller allotments.
- Support and encourage the expansion of the dairy industry, retaining larger lot sizes in core dairy areas.
- Facilitate the growth and expansion of farms, recognising industry requirements for incremental growth.
- Facilitate the potential diversification and value adding in agriculture to enhance the economic viability of the industry.
- Protect strategically significant agricultural land to support existing and future agricultural industries and the economic performance of agriculture.
- Ensure that agricultural land is maintained for the production of agricultural food and raw materials.

ALPINE PLANNING SCHEME

- Protect strategically significant agricultural land for the continued operation of agricultural production.
- Ensure that rural land is used and developed in a way that will support agricultural production.
- Encourage and support sustainable agricultural practices that are capable of increasing productivity levels.
- Encourage rural industries that specifically support the agricultural sector.
- Promote emerging natural resource based rural industries.
- Attract and develop value adding opportunities for rural industries to diversify the economy and maximise employment opportunities in rural areas.
- Encourage well designed, sustainable rural industries that enhance the visual amenity of rural areas.

Implementation

- The strategies related to agriculture will be implemented through the planning scheme by:

Using policy and the exercise of discretion

- Using the *Alpine Shire Rural Land Strategy*, Alpine Shire Council, 2015 to protect, guide and facilitate the use and development of rural land.
- Advancing local policy at Clause 22.03-2 in respect of protecting, enhancing and complementing existing agricultural activities.

Application of zones and overlays:

- Apply and maintain the Farming Zone to strategically significant farming land identified within the *Alpine Shire Rural Land Strategy*, Alpine Shire Council, 2015 to facilitate complementary activities and ensure farming land availability.
- Apply the Farming Zone to all freehold land outside of townships and rural living areas, including existing softwood plantations to protect and enhance agricultural activities.
- Apply the Rural Conservation Zone to remote rural areas adjacent to National Parks, State Forests and Crown land.

Further strategic work

- Prepare a strategy to promote and attract new and alternative agricultural activities.
- Review the Shire's Economic Development Strategy to pursue opportunities for integration of agricultural production with appropriate value adding opportunities across the Shire.
- Investigate identification of high quality agricultural land and the options for applying the Environmental Significance Overlay to this land.
- Investigate application of the Rural Activity Zone in appropriate locations.
- Incorporate Rural Land Strategy into the Planning Scheme to ensure a coordinated approach.

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Timber Production

Key issues and influences

- Most softwood holdings exceed 40 hectares, providing the necessary scale for commercial viability. The remainder are smaller-scale farm forestry plantations that provide both on-farm (timber and shelter) and landscape (environmental) benefits.

ALPINE PLANNING SCHEME

- Of the 409,700ha of native forest across the Shire approximately 220,070ha is located within State forest and around 23,200ha is located on private land. Approximately 20% of the State forest hardwood resource is potentially available for timber harvesting by VicForests for saw logs and residual logs. The balance is predominantly National Park, State Park or conservation reserve and is unavailable for timber harvesting.
- Timber processing is an important activity for the Alpine Shire particularly for the Myrtleford community.
- The cartage of timber associated with harvesting operations has a potential to adversely impact upon road networks including local and arterial roads.
- Alpine Shire's softwood timber plantation estate is around 14,800ha (around 23% of the total area of softwood plantation across north east Victoria. The total area of softwood plantation has not increased or decreased significantly over the last decade.
- There is also approximately 83ha of hardwood plantation.
- The timber plantation industry is dominated by softwood radiata pine plantations owned and managed by Hancock Victoria Plantations. The majority of these plantations are situated Crown land held under a perpetual lease.
- To date the production of sawlogs and residual logs from privately owned native forest across the Shire has been negligible.
- Salvage harvesting operations of native forest allows timber killed or badly damaged by bushfire to be utilised.
- Potential for negative effects on natural environment and areas of significant landscape and heritage significance.
- Interface issues with freehold land and the extensive plantation holdings across the Shire.

Objectives

- Facilitate timber production and value adding.
- Encourage the establishment of small-scale plantations (<40ha), trees on farms and agri-forestry on previously cleared agricultural land within areas that can provide the necessary road infrastructure.
- Ensure any further expansion of the timber industry does not impact upon sensitive areas in the Shire including significant landscapes and sub-alpine areas.
- Ensure that timber production does not impact adversely on areas designated as high quality agricultural land, National Trust classified landscapes and other significant landscapes, the environs of towns, or tourist roads.
- Ensure that road networks are not detrimentally affected by new timber production activities.

Strategies

- New timber production in National Trust classified landscapes particularly along valleys will be controlled to provide a balance between Council's support for the timber industry and the need to protect the Shire's natural assets.
- Encourage the further value adding and processing of timber products to strengthen the municipal economy and increase local employment opportunities.
- Ensure that the establishment of plantation forestry on private land avoids the loss of agricultural land of strategic national / state, regional or sub-regional significance.
- Minimise the impact of timber plantations and forestry on the environment and areas of significant landscape.
- Minimise the impact of timber plantation and forestry on rural infrastructure.

Implementation

- The strategies related to timber production will be implemented through the planning scheme by:

Using policy and the exercise of discretion

- Advancing local policy at Clause 22.03-3 in respect of the establishment of new timber plantations and timber industries.

Application of zones and overlays

- Apply the Farming Zone including commercial timber plantations on leased Crown land to enable plantation activities.
- Apply the Significant Landscape Overlay over National Trust classified landscapes to protect and enhance these landscapes from inappropriate use and development.

Further strategic work

- Review the Shire's Economic Development Strategy to pursue opportunities for establishing small scale plantations.
- Link with the Shire's Rural Land Strategy to acknowledge the economic importance of the timber industry.
- Liaise with Department Environment, Land, Water and Planning to canvass the possibility of a Victoria Planning Provisions Amendment to introduce a Rural – Plantations Zone which among other things would prohibit dwellings on all land within the zone.
- Prepare a Strategic Timber Production Strategy/Plan to encourage sustainable and appropriate development of the timber industry and assist in locating new timber production away from areas of high value agricultural land, areas of remnant vegetation and habitat for threatened species.