

24 February 2026

Committee Secretary
House of Representatives Standing Committee on Primary Industries
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Secretary

Please find enclosed a submission from the Limestone Coast Local Government Association (LCLGA) to the House Standing Committee on Primary Industries inquiry into factors shaping social licence and economic development outcomes in critical minerals projects across Australia.

We thank the Committee for the opportunity to contribute to this inquiry and would welcome an invitation to give further evidence through participation in a public hearing should the opportunity arise.

For any questions about this submission please contact the LCLGA's Executive Officer Charlotte Edmunds on 0486 380 347 eo@lclga.sa.gov.au.

Yours sincerely,



Mayor Lynette Martin OAM
President
Limestone Coast Local Government Association



ABOUT THE LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

Local Government in Limestone Coast has been working together for over 140 years. Since the first association of councils was formed in October 1885, Local Government across the region has helped build community and economic prosperity through cooperation.

The Limestone Coast Local Government Association is a regional subsidiary established pursuant to Section 43 of the Local Government Act 1999 by the:

- City of Mount Gambier;
- District Council of Grant;
- Kingston District Council;
- Naracoorte Lucindale Council;
- District Council of Robe;
- Tatiara District Council.

As the peak body representing Local Government in the Limestone Coast, the Limestone Coast Local Government Association (LCLGA) takes a lead to advocate on behalf of the region across a wide range of issues with the goal of continuing the 140-year history of collectively building strong, sustainable communities.

As the closest level of government to the people, local government plays a critical role in understanding the needs of local communities and advocating for the support required to deliver infrastructure and services to enable sustainable population growth, projected to reach over 85,000 by 2051. Councils within the Limestone Coast recognise the potential for economic growth to enable a highly productive and prosperous community that will continue to contribute significantly to the South Australian economy.

Our Vision for the Limestone Coast;

- Regional growth that is considered and sustainable.
- Communities that are supported with the services and infrastructure needed to thrive now and generations into the future.
- To maintain our competitive advantage and global reputation for the clean, green environment and the food and fibre that is produced from our resources
- A diverse economy that is resilient and balanced
- A highly attractive region in which to live, work, visit and invest.

We acknowledge and respect that in order to support a sustainable and diverse economy we must manage and protect our natural environment and resources, recognising that these unique natural assets underpin our economic and social prosperity.

ABOUT OUR REGION

The Limestone Coast describes a rich and diverse geographical region that covers over 21,000 square kilometres, currently home to almost 70,000 people and with a Gross Regional Product of \$5.1 billion. The region covers two per cent of the state's landmass, is home to 3.6 per cent of South Australia's population and contributes over 30 per cent of the state's agricultural produce.

Fertile soils, water resources, a Mediterranean climate and the cold, clean waters of the southern ocean have enabled globally significant food, wine and fibre production in the region. The Limestone Coast economy has been built from the agriculture, forestry and fishing sectors which continue to provide the region's largest economic output and employment.

To date, the protection of the Limestone Coast's valuable primary production land has resulted in the region becoming an agricultural powerhouse for the state including;

- soft and hard wood product- 37% of Australia's house frames, 25% of Australia's particle board and 48% of Australia's packaging and industrial grade timber
- more than 80% of Australia's Lucerne Seed
- more than 54% of SA's cattle with the highest concentration of cattle per square km in Australia.
- produces nearly one-third of SA's quality wine
- Dairies collectively produce more than 300-million litres of milk and 49.2% of SA's production by value
- 45% of South Australian potatoes
- SA's largest commercial wild-catch fishery by value – Rock Lobster, producing more than 1,300 tonnes per year and supporting 1,300+ jobs

Our primary producers are custodians of the land and sea they farm, ensuring practices are sustainable and viable for future generations.

Opportunities exist to grow modern manufacturing and value add to our primary produce, while an increasing visitor economy is also underpinned by our natural assets and well-established reputation for high quality food and wine. However, soil health, underground water aquifers and our pristine coastal waters, must be protected from any detrimental impacts arising from renewable energy generation and transmission, unconventional gas extraction, rare earth mining and the subsequent reputational damage.

In recent years, Limestone Coast communities have found themselves consistently putting out ‘spot fires’ each time a new mining or energy development threatens the long-term viability and sustainability of high value primary production land.

These developments threaten to change the social and economic structure of traditional farming communities.

For our primary producers, their communities and associated stakeholders (including the tourism industry), this creates uncertainty, has significant mental health implications and impacts investment decisions.

RARE EARTH MINING IN THE LIMESTONE COAST – KOPPAMURRA PROJECT

Mining exploration leases held by Australian Rare Earths Ltd (AR3) for the Koppamurra Project cover almost one-third of the Limestone Coast from Keith to Mount Gambier, and into Victoria.

According to AR3, the Koppamurra Project features a substantial Mineral Resource Estimate of 236Mt at 748ppm TREO and an Exploration Target of 500Mt to 3.2Bt.

AR3 has been awarded a \$5 million grant from the Australian Government's International Partnerships in Critical Minerals Program. The grant provides support for completion of a Pre-Feasibility Study (PFS) as well as building and operating a demonstration plant during 2025 and 2026.

In 2024 a grassroots collective called ‘Sustainable Futures Limestone Coast Association’ (the association) formed to represent agriculture and local business following a series of meetings attended by hundreds of landholders and other community members increasingly concerned about the Koppamurra project proposal for rare earth mineral mining at Wrattontully nearly 35kms south-east of Naracoorte.

The Association is advocating to protect our high value food and fibre resources, finite water assets, rich cultural heritage and unique biodiversity from controversial long-term invasive mining.

Significant level of concern is focused on the potential degradation of clay rich soils, loss of significant trees, and use of the regions water resources. In particular, the proposed use of acids in mineral extraction process raises concerns regarding potential contamination of aquifers that are relied upon for both town supply and agricultural production. Despite community consultation beginning in 2022, no assurances have been obtained in relation to these matters.

Economic development and workforce participation

Unlike primary production, the economic benefit of rare earth mining to the local economy remains unclear.

The Limestone Coast has an unemployment rate of just 2.4 per cent. Existing industry suffers from workforce shortages compounded by housing supply issues.

Two scenarios are possible; either the local labour market will be adversely impacted intensifying workforce shortages and input costs for existing industry, or, AR3 workers will be ‘fly-in-fly-out’ leaving little economic benefit outside short-term accommodation and a temporary boost to the hospitality sector.

The role of state, territory, and local governments in supporting socially and economically sustainable development. Options for improved coordination between jurisdictions and the Commonwealth.

Mining and energy project development is contingent on meeting a number of legislative and regulatory requirements across different levels of government. The process and potential implications for landholders, and the broader community can be confusing, with consultation processes often flawed and seen only as ‘ticking a box’. Approval and regulatory oversight is also widely criticised for lacking independence.

As the closest level of government to community, local government is innately aware of the social and economic impact of mining and energy developments on multi-generational farming communities.

While Local Government will always play a role in supporting community and advocating on their behalf, small regional councils struggle to divert resources and the level of expertise required for navigating the complexity of these challenges. Local Government is also significantly impacted when Primary Production land becomes large scale residential development, energy generation/transmission or mining. It not only impacts rate revenue, infrastructure requirements and environmental policies but the social structure of communities that have traditionally been based in Primary Productions.

The Limestone Coast Local Government Association is advocating for the South Australian Government to investigate an Independent and Statutory State Commissioner for Agriculture/Primary Production to promote a coordinated and collaborative approach across the Commonwealth Government, State Government and local government in relation to agricultural matters – including land use conflict.

In the meantime, the Limestone Coast Local Government Association stands with community and the Board has formally resolved the following:

That the LCLGA:

- Values and recognises the significance of the agriculture, forestry and fishing sectors to the economic and social wellbeing of our region.

- Acknowledges that sustainable management and protection of primary production land, ground water and coast is vital for the long term economic and social prosperity of the Limestone Coast.
- Seeks measures to ensure that renewable energy and mining projects and activities will be secondary to - and will in no way diminish - established high value primary production.
- Requests that the South Australian Government commit to a comprehensive and independent vulnerability assessment which investigates all aspects of rare earth mining activities in the Limestone Coast and potential risks to the economy, environment and community.

CONCLUSION

The LCLGA believes that where uncertainty exists regarding the long-term impacts of development or mining activities on soils, aquifers, biodiversity, or agricultural productivity within the Limestone Coast region, projects such as Koppamurra should not be granted approvals at a State or Federal level unless it can be clearly demonstrated that risks are avoided, minimised, or effectively mitigated.

Social licence is unattainable if short-term political and economic considerations are being placed above intergenerational environmental, social and economic protection responsibilities.