

Agricultural Competitiveness Green Paper Submission

16/12/2014

Name of Organisation/Individual

Peri Urban Group of Rural Councils

What are the top policies from the Green Paper that the Government should focus on in the White Paper and why?

The top policies, as listed, in the Green Paper are:

1- Building new transport infrastructure. This is critical in the peri urban area of Victoria where agricultural properties are competing with residential pressures and access to rural roads. Many areas have single lane unsealed roads that were previously adequate for farmers. With the rapid population growth occurring across the peri urban region (Bass Coast, Baw Baw, Golden Plains, Macedon Ranges, Moorabool, Murrindindi and Surf Coast) of 50% through to 2036, farmers are now competing with residential property owners for access to roads and rapidly deteriorating roads through dramatically increased use. In some towns like Bacchus Marsh, the original road network means that 500 trucks per day are passing through the middle of the CBD rather than by-passing these pedestrian areas. The inability of small Councils to secure funds to deliver local by-pass roads to support primary and other producers is reducing the amenity and liveability of these areas that are vital for managing population growth and jeopardising public safety.

2- Improving existing infrastructure. The roads and bridges funding program is vital for Councils managing rural road networks. The seven peri urban Councils on Melbourne's fringe manage a combined road network of 22,000 km and the roads and bridges program is essential for road and bridge improvements and replacements. This program directly supports our farmers and the transportation of goods to market.

3 - Enhancing Communications. The peri urban region of Victoria is home to 11% of Victoria's agriculture production and many of the environmental assets of the state resulting in it being a tourism destination for domestic and international visitors. The region is ideally placed to further develop and capitalise on the trend for farm gate sales, pick your own and artisan foods. Patchy internet and mobile coverage makes this difficult or extremely expensive in many areas. There are towns across the region, including Golden Plains Shire, where retailers can't access internet connections for EFTPOS which is an essential element of today's retail industry and expected by consumers.

5 – Protect the resource base. Protecting the resource base is essential as we are growing lots of Australians but no more Australia, and this is particularly true in Melbourne and the areas surrounding Melbourne. The agricultural lands surrounding our capital cities are under increasing pressure from residential development and the incremental dismantling of contiguous tracts of productive agricultural lands. The current planning systems make it far simpler for developers to do greenfield developments on former farm sites than to do infill developments within town boundaries. This needs to be urgently addressed.

Related to this is the issue of protecting the resource base is land banking by local and foreign investors. Farms which are land banked are often abandoned and unproductive and are frequently become overgrown by weeds. These neglected farms often cause local issues for neighbouring properties who are faced with increased weed infestation from the neglected farm. More problematic, is that these land banked farms are often not maintained to reduce fire risk.

14 – Strengthening Agriculture Education. Local agriculture training and education is vital for regional and rural communities as our young people are leaving in droves for metropolitan education or employment. A solid agriculture education focus would also support additional tourism opportunities for farm gate experiences, retail, exports and would strengthen these communities.

What policies from the Green Paper don't you support and why?

General Comment

The Green Paper omits the role of Local Government as the frontline manager of agriculture areas. The omission of Local Government risks the White Paper and Government response being concerned primarily with the macro issues surrounding agriculture and the larger players of the industry rather than including an 'on the ground' approach through Local Government.

The suggested policies relating to finance and taxation overlook the impost that is placed on farmers through the rating system. The main source of income for Councils in many instances is revenue from rates. The challenge for many rural and regional Councils is to deliver all of the existing services and projects plus those directed towards population growth. This means that the rates for farmers are often higher than all would like and they receive less in terms of services for their rates than residents who live in town. Councils are struggling to fund services and infrastructure and can't lower farm rates without funding support from another source. Financial support from the State or Federal Government that is directed towards Councils in exchange for a lowering of the rates levied against farms would make many of these farms far more financially sustainable.

The Green Paper does not address the pressures placed on farms by residential growth and the impact this is having on the price of land. As mentioned earlier, the current planning system makes it far easier to develop greenfield sites into residential than it is for infill developments in town. The push for residential land is driving up the price of farm land and pricing young farmers out of the industry and influencing older, retirement aged farmers to subdivide or sell to developers as their superannuation.

The push of greater populations into farm areas is also resulting in greater location of bulky retail in the farm zone. This also fundamentally changes the nature of the farm area and leads to further domestication of the area. Current planning policies at a State level favour residential and retail over farming and this must be addressed urgently.

Strengthening and supporting agriculture is a key priority for the Peri Urban Group of Regional Councils which is comprised of Bass Coast, Baw Baw, Golden Plains, Macedon Ranges, Moorabool, Murrindindi and Surf Coast. We welcome the Green Paper and the leadership of the Federal Government through this initiative. We hope that the White Paper provides innovative solutions to the issues facing farmers and the communities they support.