

Agricultural Competitiveness Issues Paper

- Submission from the City of Whittlesea

Introduction

The City of Whittlesea welcomes the opportunity to contribute to the Agricultural Competitiveness White Paper with this response to the Issues Paper.

The City of Whittlesea is located to the north of Melbourne and is in one of the fastest growing urban development corridors in the country. In spite of the rapidly growing population, the municipality is still predominantly rural. Of a total land area of 48,946 Ha, 31,730 Ha is classified as Green Wedge land. Once national park and closed water catchment area is accounted for, around 15,000 Ha is available as potentially productive agricultural land in private ownership.

Council believes that rural life and agricultural productivity is an important part of the cultural, economic and environmental fabric of the City of Whittlesea. The importance of peri-urban agriculture is becoming increasingly highlighted with the rising profile of key sustainability issues including food security, climate variability, liveability and community resilience.

The Parliament of Victoria Outer Suburban Interface Services and Development Committee Inquiry into Sustainable Development of Agribusiness in Outer Suburban Melbourne identified that 'From less than 4% of the land, agriculture in this region produces 16% of the state's agricultural wealth.' Peri-urban agriculture and horticulture has a number of obvious advantages, including market proximity, decreased transport costs of inputs and produce, increased community food security and access to fresh food, and greater access for agricultural enterprises to local human resources, both as employees, skilled support services and, importantly, customers.

Less obvious side effects of a healthy agricultural industry on the outskirts of Melbourne or any major capital or regional city include –

- higher land values,
- better environmental management of land,
- increased tourism values of agricultural regions,
- greater awareness and value of farmers, food production and the challenges relating to that sector of the community,
- more vibrant rural urban fringe communities that are attractive and engaging with the nearby urban population,
- more intensive management of land resources,
- greater visual amenity of urban fringe areas as well cared for and valuable agricultural land,

- a reduction in the community from these fringe areas having to commute into urban areas or the CBD to access employment,
- an increase in support and service businesses in these communities.

The City of Whittlesea is committed to the health of its rural north and to supporting the increase in agricultural activity in the area. This is demonstrated by the specific support for rural productivity outlined in the City of Whittlesea's 'Green Wedge Management Plan' and the recent appointment of an Agribusiness Officer to facilitate the support and growth of this valuable industry in the municipality.

Agriculture in the City of Whittlesea has a long and proud history, being one of the key dairy areas supplying milk into Melbourne via train many decades ago and continuing to produce a diverse range of agricultural commodities today - including mushrooms, eggs, fruit and vegetables, olives and olive oil as well as beef and lamb. There are positive supportive local market structures for agricultural enterprise, including a strong food manufacturing sector in Thomastown and the development of the new Melbourne Markets site in Epping – both in close proximity to the rural area and accessible via established significant road infrastructure linkages. All these factors point to the potential for a growing, vibrant agricultural industry in the region.

However, the area is not without its challenges. With the pressures of development, many larger farms have been fragmented and purchased by those new to agriculture and land management. Often the properties are not large enough for traditional grazing systems and new, innovative ways to use this existing agricultural land need to be trialled and promoted to landholders. Unfortunately, support for landholders through traditional information sources and support services, such as State Government Department of Environment and Primary Industries, has been limited. It is important to consider the strategic impact of these smaller farms collectively (15,000 Ha in Whittlesea alone). Individually, these small landholders cannot compete with large farms for resources and support however, if the farms are considered in the context of the overall combined impact of intensively managed smaller blocks close to markets and existing infrastructure, they become an important part of the national food production system warranting investment and targeted support.

Tertiary and TAFE training is expensive for landholders, particularly those with existing qualifications in other, unrelated fields (as many of these new landholders are) which makes accessing subsidised rates for TAFE courses difficult. These institutions again are often geared towards traditional agricultural models rather than those that embrace the innovation and intensification required if smaller blocks are to be a productive part of local food production.

Those peri-urban areas already adept to more intensive agricultural management systems are showing how it can be done well and foster vibrant rural communities in the process. Yarra Valley and Mornington Peninsula are good examples of this, with their strong viticultural and horticultural industries that employ local people, high production and financial returns per hectare and offer unique farm gate experiences to locals and tourists alike. They put a face to the farming community and allow the consumers to identify with their local farmer, rather than only with a supermarket shelf.

Without support and education for new and existing landholders and producers in these regions, the areas may continue to deteriorate, creating unproductive, rural 'ghettos' surrounding our cities, with poor land management, environmental degradation, decreasing land values and increasing the separation and disconnect between the rural/urban communities. With the challenge of feeding an increasing global population and the impact of a changing climate – this is an opportunity not to be missed!

The development of the Agricultural Competitiveness White Paper and a rethink of Australian agricultural policy offers an opportunity for peri-urban and urban agriculture to be considered as a productive part of the national agricultural system. The City of Whittlesea welcomes this rethink and looks forward to playing a part in this process.

Please see below for responses to the questions for consideration as outlined in the Issues Paper relevant to the City of Whittlesea's submission.

1. Ensuring food security in Australia and globally

As outlined above, urban and peri-urban agricultural systems allow fresh, healthy food to be produced close to the population that needs it. Smaller blocks and greater access to employees enable more intensive land management systems to be employed and a greater diversity of products to be produced. Close proximity to fresh local markets, an established food manufacturing industry and transport routes, including road and air freight, support both local and export market access.

Economic viability of smaller acreages is directly impacted by the access to information and support mechanisms available in other rural areas. State government support systems have less presence in peri-urban areas and smaller landholdings for over a decade. Traditional production systems are often not suited to smaller properties; however, the potential for innovation and productivity is significant if offered the right support systems. R&D specific to smaller scale production systems is essential to foster productivity in these areas, with specific research required into the following areas:

- intensive agriculture and horticulture models for small acreages including extension models to support those landholders from non-agricultural backgrounds,
- kangaroo population displacement by urban development and management of impact of adjacent farming land,

- pest animal control, specifically rabbits and foxes, in peri-urban areas where residential densities make traditional control methods difficult or dangerous to surrounding residents.
- Investigation into alternative production systems gaining popularity with small farms, including alternative fertilisers, permaculture, regenerative and holistic farming systems, biodynamics and organics.

2. Farmer decisions for improving farm gate returns

Value adding, collective marketing and cooperatives will be crucial to the success of smaller ventures. Regional branding programs and the integration of 'agritourism' will also support agribusiness development in peri-urban areas. This will also underpin the marketing of Australian agriculture to export markets, as overseas visitors will identify with commodities produced from the agricultural land they have visited - closest to cities and tourist destinations.

Improving the profile of agriculture in areas close to urban populations also offers the opportunity to engage better not only with consumers, but also with prospective entrants into the industry. Young people from non-farming backgrounds would have the chance to try farming out and gain local employment and experience before leaving existing support structures and possibly pursuing further education, training and an agricultural career further from home in more remote regions of Australia.

Use of recycled water from urban populations – currently considered a waste product – could also assist in drought proofing farming enterprises located close to the treatment plants. Alternative nutrient input derived from waste streams also have potential given the increasing costs associated with synthetic fertilisers.

3. Enhancing access to finance

Small scale farming enterprises are often unable to access finance and grant programs available to larger acreages. To ensure the productive development of peri-urban areas, this would need to be addressed.

4. Increasing the competitiveness of the agricultural sector and its value chains

Utilising existing infrastructure, developments, support services and established markets makes most value of these investments. Ensuring a vibrant agricultural industry on Melbourne's fringe is an obvious way to take best advantage of these existing frameworks.

5. Enhancing agriculture's contribution to regional communities

The awareness of the importance of farming needs to be increased across all Australian communities, not only in the regions. Urban populations need to have a greater appreciation and understanding of the challenges and rewards of farming and the value of local production systems – farmers should hold a higher status in our community rather than being seen only when natural disasters, such as drought or extreme weather affects food supplies. We need to promote the good things about farming, not just the challenges.

This can be done by placing the focus on local food systems that are a part of the community and that reflect the diversity of that community. Local food supports employment, productivity and increases the population's connection with their food, which often translates into greater food and nutrition literacy and a willingness to pay more for quality, fresh nutritious products. Examples of this local food approach can be seen in the United States, Canada and Europe. Homogenisation of the agricultural sector assists large corporate entities and supermarkets, but pushes the smaller producers or new entrants to the industry out of the system and doesn't play to the nations strengths – in particular a strong culturally diverse background which can bring a huge range of new, innovative crops, livestock and production systems into our traditional food production systems. This diversity will assist in taking advantage of all ecological niches in which we can responsibly produce food under range of climatic and environmental conditions that may be adverse for traditional approaches. Homogenisation also has the side effect of disconnecting the community from their food source with some speculation on the human health side effects this can be involved in, such as the increased consumption of processed food leading to obesity and its associated health implications and costs to the community.

6. Improving the competitiveness of inputs to the supply chain

Supporting and enhancing agriculture in these peri-urban areas has many advantages in regards to providing produce into the supply chain, as discussed earlier in this document.

7. Reducing ineffective regulations

When any reduction in regulation takes places, care must be taken to ensure that it only occurs when regulation is unnecessary or duplicated between the levels of government. However, the original intent of the regulation should be retained where it continues to be relevant to the community, such as environmental protection, animal welfare or chemical residues in food. Where there is the potential for unforeseen consequences, such as in the case of GM foods, additional care must be taken and a fully engaged and educated discussion with the community should take place before any regulations are eased or lifted. Industry competitiveness in the short term does not, in itself, justify reducing regulation.

Uncertainty around approaches to climate change action is also creating uncertainty in the agricultural and land management sector. The Carbon Farming Initiative is an innovative approach to supporting farmers with an additional income stream that will not only service the community in reducing the impact of carbon emissions, but also drive research and innovation in carbon sequestration, which the possibility of increasing farm productivity, enhancing fertility and biodiversity. The CFI has had bipartisan support. Certainty around implementation and extension on best practice in the CFI to landholders will be highly beneficial on a range of levels.

8. Enhancing agricultural exports

Peri-urban and urban agriculture offers tourists to Australia from potential export markets the opportunity to experience Australian primary produce first hand. Being close to city centres and tourism destinations, many established farming regions are already tourist destinations in their own right. A great example is the wine regions of Australia which attract many overseas visitors, increasing the profile of rural Australia as a premium wine producer, establishing brand recognition and demand for those products in export markets. This model could be replicated in a number of peri-urban areas with ready access to local and international visitors.

Biosecurity is always a challenging issue in regards to market access. However, protecting the nation's freedom from many key agricultural and horticultural diseases must be the priority above free trade agreements. Disease management and cost of chemicals only further increases pressure on already strained farmers, and the potential for damage to Australia's 'Clean and Green' reputation – vital to supporting our export markets – is too great.

9. Assessing the effectiveness of incentives for investment and job creation

The average urban dweller does not necessarily have a favourable view of farming. The media depicts farming as a job that is typically for a male or exceptionally tough female, full of hard manual labour, tough challenges, heart break, disappointment – drought and exposure to other extreme weather events such as fire and flood, remoteness and isolation, lack of access to modern facilities and everyday comforts and an average or below average income. Working in Australian agriculture today is an exciting, modern, diverse and vibrant industry with a huge range of jobs and career paths available to both men and woman. This reality needs to be better promoted amongst our youth. Career pathways need to be facilitated to link newcomers to the industry to land resources, such as leased land registers or share farming situations, as well as mentoring programs and on farm experience opportunities. Again – peri-urban farming is uniquely placed – both literally and figuratively - to create this interface and attract newcomers to the agricultural industry.

It is also important to ensure that the agricultural industry engages with young people and reflects many of the increasingly important ethical considerations held by this generation and across the community generally, such as acting responsibly in the areas of climate impact, animal ethics and environmental preservation. Many young people will not enter an industry or organisation they consider to oppose their own principles and ethics.

There are excellent examples of local food systems and engagement with urban communities around the world. This submission will highlight two examples in the US and Canada.

The American 'Farm to School' program "improves the health of children and communities while supporting local and regional farmers" (www.farmtoschool.org). It has also been shown that in the US, local farms employ more people than those not engaging and selling into their local communities. This program now exists in all 50 states and engages with around 10,000 schools.

Canada has supported its local farmers and the diversity of its local food production systems through the adoption of the 'Local Food Act' in Ontario (http://ontla.on.ca/web/bills/bills_detail.do?locale=en&Intranet=&BillID=2754). The purpose of the Act is "to foster successful and resilient local food economies and systems... increase awareness of local food in Ontario, including the diversity of local food...(and) encourage the development of new markets for local food."

Australia has excellent existing frameworks to support local food systems, peri-urban agriculture and re-engage the urban community with its farmers and agricultural industry. Landcare Australia, for example, is an excellent engagement framework that is well established in many peri-urban areas, has a profile with urban people and throughout the nation generally. Other pathways would include the increasing popularity of local Farmers Markets and other innovative community engagement strategies, such as the Slow Food movement (<http://slowfoodmelbourne.com.au>), Slow Food Youth (<http://www.youthfoodmovement.org.au/>) and Sustainable Table (<http://www.sustainabletable.org.au/>).

In summary, the City of Whittlesea encourages the serious incorporation of urban and peri-urban agriculture into the national food production systems. The Council is excited about the opportunities presented by the rethink of national agricultural policy and looks forward to being an active participant in the bright future of this diverse and crucial national industry.