



Parliamentary Inquiry into securing the Victorian food supply

MAV Submission

April 2024

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While this paper aims to broadly reflect the views of local government in Victoria, it does not purport to reflect the exact views of individual councils.

Table of contents

1	<i>Executive summary</i>	4
2	<i>Introduction</i>	5
3	<i>The impacts of urban sprawl and population growth on arable land and the farming industry in Victoria</i>	6
	Lack of State-led peri-urban planning	7
4	<i>The use of planning controls to protect agricultural land in green wedge and peri-urban areas</i>	8
	A state-wide planning approach for agricultural land needed.....	9
5	<i>The resilience of the Victorian food system, including the production of food, its transportation and sale</i>	11

1 Executive summary

The MAV welcomes this opportunity to provide a submission to the Parliamentary inquiry into securing the Victorian food supply. This submission expands on the MAV's [February 2021 submission](#) to the Victorian government's "Planning for Melbourne's Green Wedges and Agricultural Land" consultation paper (2020).

The Municipal Association of Victoria is the peak representative and advocacy body for Victoria's 79 councils. The MAV was formed in 1879 and the *Municipal Association Act 1907* appointed the MAV the official voice of local government in Victoria.

Today, the MAV is a driving and influential force behind a strong and strategically positioned local government sector. Our role is to represent and advocate the interests of local government; raise the sector's profile; ensure its long-term security; facilitate effective networks; support councillors; provide policy and strategic advice; capacity building programs; and insurance services to local government.

The MAV has been involved in several initiatives that interact with this inquiry. These include:

- Submission to on the former Department of Environment, Land, Water and Planning (DELWP) consultation Protection of Strategic Agricultural Land (2019)
- DELWPs *Planning for Melbourne's Green Wedges and Agricultural Land Consultation Paper* May 2020 – the MAV made a submission to this consultation process
- The MAV has been a member of the Stakeholder Advisory Group for [Foodprint Melbourne](#) for a number of years

This submission outlines the MAV's position that securing our food supply must be achieved through stronger land use planning controls and a coordinated effort between state and local government. The submission makes the following recommendations in line with the Inquiry Terms of Reference (TOR):

RECOMMENDATIONS TO THE INQUIRY

TOR: The impacts of urban sprawl and population growth on arable land and the farming industry in Victoria

- Recognise that protecting all agricultural land in Victoria is vital for sustainable local food supply, healthy communities, and safeguards against future shocks, biodiversity decline and climate change
- Advise against further UGB expansion to protect Melbourne's food bowl from fragmentation and conflicting land use

TOR: The use of planning controls to protect agricultural land in green wedge and peri-urban areas

- The Victorian government recognises and utilises council expertise through their obligations under the *Planning and Environment Act 1987* in developing and

monitoring solutions for emerging and ongoing tensions on peri-urban and agricultural land

- The Victorian government establishes formal feedback mechanisms and governance arrangements with councils impacted within and around the 100km radius to resolve policy tensions between local and state planning polices
- The State develops a Victoria-wide approach agricultural and rural land use planning, based on the proposed green wedges and agricultural land reforms
- The Victorian Government continues to fund and resource the Regional Planning Hubs Program and Agriculture Victoria's Agriculture Development and Planning service programs and partner with the MAV to investigate other programs and ways to support rural and regional council planning capacity

TOR: The resilience of the Victorian food system, including the production of food, its transportation and sale

- The Victorian Government commits to the development of a state-wide Food System and Food Security Strategy and Action Plan as called for in the Consensus Statement "*Towards a Healthy, Regenerative and Equitable Food System in Victoria*"
- State and Federal Governments prioritise local road and bridge funding and betterment to ensure reliable and direct freight access to secure food supply

The recommendations in this submission align with the May 2023 MAV State Council resolution which to called for the MAV to:

1. *Advocates to the State Government the need to prioritise the conclusion of the Green Wedge and Agricultural Land review in a manner consistent with the vision and goals of a food-secure Melbourne*
2. *Call on the State Government to take all appropriate measures in a timely manner to ensure long-term protection of Melbourne's Green Wedge areas as Melbourne's food bowl, with an accompanying commitment to development a state-wide Food System and Food Security Strategy and Action Plan as called for in the Consensus Statement; and*
3. *Advocate and support for the protection and enhancement of Melbourne's food bowl, to guard against future shocks associated with climate change and emergencies such as pandemics, and to future proof a resilient, sustainable local food system for Melbourne's population*

2 Introduction

The importance of local food supply came to the fore during the pandemic and continues in our current high inflation environment. Securing food supply will only become more challenging in the face of the climate crisis and biodiversity loss. Our food supply will be placed under ongoing and significant pressure without strong policy and regulatory tools.

As planning authorities and responsible authorities under the *Planning and Environment Act 1987* (the Act), councils have direct experience of the policy planning challenges when seeking

to protect and enhance productive land for food supply. Many councils have developed a range of strategies to promote and secure food supply. This work is necessitated by their important planning and responsible authority roles under the Act which requires councils to undertake important strategic work and make land use and development planning decisions on behalf of their communities. For example:

- Councils in the Green Wedge Zone are required under the Act to develop local Green Wedge Management Plans to guide the local use, protection and development in their local Green Wedge areas. These plans must balance a range of increasingly competing needs and uses in green wedge and agricultural land to guide planning decisions, such as interface with urban sprawl and bushfire risk
- Most rural and regional councils have rural land use strategies for protecting agricultural land, identifying areas for rural conservation, tourism and small-town settlement planning. Rural land use strategies become important planning documents as they provide a decision-making framework for rural land rezoning, farmland protection and managing fragmentation of arable land. They are complex plans developed with the community, farmers, local businesses and other authorities such as catchment managers and the CFA. For rural and regional councils, food supply is tied to their community's everyday life, culture and economy
- Regional cities work to promote, grow and better connect their local and regional food systems, including waterways and catchments. For example, the City of Greater Bendigo's work to coordinate their food strategy and regional food systems led to a successful campaign to become Australia's only UNESCO City of Gastronomy
- Metropolitan councils such as the cities of Melbourne, Yarra, Banyule and Darebin have developed innovative, community-led urban food and agriculture strategies to improve community connection to food in dense urban areas

A key issue for many councils at the moment is appropriately locating new housing (and the community infrastructure that follows) while protecting and enhancing local and regional food supply. While the present housing challenge requires urban and regional planning solutions, we take the position that ensuring the long-term viability and sustainability of Victoria's food bowl remains paramount.

This submission does not seek to provide detail on individual council green wedge or local food supply issues. A number of councils have submitted to this inquiry to explain their local contexts and priorities. The focus of this submission is on broader policy themes and recommendations the Inquiry should consider as part of its reporting.

3 The impacts of urban sprawl and population growth on arable land and the farming industry in Victoria

Melbourne's outward expansion places its "green lungs" and agricultural land at risk of urban encroachment, undermining the viability of farm business. In rural and regional Victoria, pressure for small rural 'lifestyle' allotments on or adjacent to farmland fragments arable land and results in conflicts over amenity, noise and odor. Urban sprawl and fragmentation of

farmland and their negative impacts on food supply is a well understood subject much regional and urban planning inquiry in Australia and abroad¹.

Councils on Melbourne's urban fringe and peri-urban areas grapple with similar issues to their rural and regional counterparts. Unfortunately, there has been less emphasis and interest from the state in managing rural and agricultural land use challenges beyond peri-urban Melbourne. With 55% of Victoria's land used for primary production and a further 33.5% set aside for conservation², a state-wide approach agricultural and rural land use should be undertaken. Our previous submissions highlighted that all agricultural land has significant economic and employment benefits while fostering a sense of place in rural Victoria.

The value of Victoria's agricultural land has boomed in recent years. According to major agricultural lender Rabobank, the median value of agricultural land Victoria jumped by 28 per cent in 2022 after a 40% rise in 2021³. Regions that are close to large urban centres and environments valued for their high-amenity have continued to demonstrate the impact of lifestyle-driven demand for farmland, as well as speculation by property developers.

Lack of State-led peri-urban planning

Councils report that speculation and related inflation of land value just beyond Melbourne's Urban Growth Boundary (UGB), in the green wedges and close to key settlements poses huge risks to the viability of local food supply. Increasing land value prices out smaller farming operations seeking expansion and increasing food supply. Increased land value of agricultural land incentivises farmers to either sell to developers or develop the land for non-agricultural use themselves. Land development speculators are less likely to use their land holdings for high-value agriculture or environmental purposes⁴. It is therefore necessary and urgent that the government progresses proposed reforms to protect Melbourne's green wedges and surrounding agricultural land.

The Victorian Government's 2002 planning strategy *Melbourne 2030* established Melbourne's Urban Growth Boundary (UGB). Unfortunately, shifting policy priorities of the government of the day still drive land development speculation on the urban fringe. Despite a high legislative requirement that the UGB can only be changed subject to approval by both houses of parliament, it was expanded in 2010 and 2012 removing thousands of hectares of green wedge and agricultural land. Strong development pressure and population growth continues in peri-

¹ See for example:

- Buxton, M. & Butt, A. (2020) *The Future of the Fringe: The Crisis in Peri-Urban Planning*, CSRIO Publishing
- Butt, A., Kennedy, M., Amati, M. (2016) *Conflict and Change in Australia's Peri-Urban Landscapes*, Routledge
- Goodman, R., Buxton, M., Moloney, S. (2016) *Planning Melbourne: Lessons for a Sustainable City*, CSRIO Publishing

² Source: Victorian Resources Online – Land Use, Agriculture Victoria (2024), accessed online 10/4/2024

<<https://vro.agriculture.vic.gov.au/dpi/vro/vrosite.nsf/pages/landuse-home>>

³ "Australian agricultural land on track for further price growth in 2023", Rabobank online, accessed April 2024

<<https://www.rabobank.com.au/media-releases/2023/230417-australian-agricultural-land-on-track-for-further-price-growth-in-2023/>>

⁴ Buxton, M. & Butt, A. (2020) *The Future of the Fringe: The Crisis in Peri-Urban Planning*, CSRIO Publishing

urban Melbourne where developers and land speculators regularly advocate for the UGB's continued expansion and inclusion of more green wedge land for residential development.

The Victorian government's current metropolitan plan, Plan Melbourne (soon to be replaced by Plan Victoria) and the Housing Statement seek to rein in sprawl Melbourne's growth areas by requiring at least 70% of new homes to be built in the existing urban footprint. With 30% of new dwellings still to be delivered in the growth areas, managing interfaces between urban and agricultural uses will remain a challenging issue for decision makers. Councils will be mostly tasked with managing these challenges as the local planning authority and therefore they need strong planning tools to protect the city's food supply.

Recommendations to the Inquiry:

- **Recognise that protecting all agricultural land in Victoria is vital for sustainable local food supply, healthy communities, and safeguards against future shocks, biodiversity decline and climate change**
- **Advise against further UGB expansion to protect Melbourne's food bowl from fragmentation and conflicting land use**

4 The use of planning controls to protect agricultural land in green wedge and peri-urban areas

The Victorian government's 2018 election promise to do more to protect the green wedges was supported by the MAV and councils. We provided constructive and supportive submissions to the respective 2019⁵ and 2020⁶ consultations.

After a four-year wait, we welcome the Minister for Planning's March 2024 announcement that the government intends to implement 28 of the 41 reform options identified in 2020 over the short (12 months) to medium term (3 years). Most of the proposed reforms will apply to land within a 100km radius of Melbourne.

While the State has provided a broad implementation timeline, detail on the 28 reforms that will be progressed is lacking. Timely implementation is not guaranteed. It is unclear if the State will release proposed provisions, policy and guidance for stakeholder consultation and feedback. It is also not yet clear how the proposed 100km radius will be introduced or mapped in planning schemes.

Applying protections only within 100km of central Melbourne will also have adverse economic and policy impacts. As it is not clear how the 100km radius will apply in planning schemes, councils and landowners that straddle the boundary are awaiting further advice and direction

⁵ MAV Submission: Protecting Melbourne's strategic agricultural land (2019)
<https://www.mav.asn.au/_data/assets/word_doc/0016/22741/Submission-on-Protecting-Melbournes-Strategic-Agricultural-Land.docx>

⁶ MAV Submission: Planning for Melbourne's Green Wedges and Agricultural Land (2020)
<https://www.mav.asn.au/_data/assets/pdf_file/0005/27239/MAV-Submission-Planning-for-Melbournes-Green-Wedges-and-Agricultural-Land.pdf>

from the State as to how to plan for their properties and communities on either side of the boundary. Development, subdivision and changes and land use will likely be incentivised to locate just beyond the arbitrary boundary that will pose strategic challenges to food supply, settlement planning and environmental protection.

The Victorian government has a propensity to implement reform without consultation or forewarning. There is concern that the government will not establish formal governance models with councils as the local planning authority to ensure reform is undertaken in an effective manner and avoid unintended consequences at the 100km interface. Further consultation should be undertaken with impacted councils, landowners, farmers, Traditional Owners and other peak bodies to assess potential impacts, solutions and find appropriate transitional arrangements.

The 2020 discussion paper raised several policy issues and possible planning responses which remain unresolved. For example, directing places of worship and private schools away from the green wedge requires a broad policy response to ensure community uses are more appropriately located. There remains opportunity to develop and pilot design and development protections for irrigation districts and interface areas, as well as working with water authorities to better plan for and fund waterway preservation and water-saving initiatives. The growing mix of land uses in the green wedge and peri-urban areas requires a broad policy response and both local and state government planners working together to resolve ongoing interface issues.

The above said, we welcome the State's move to introduce a new permit trigger in the Victoria Planning Provisions for soil dumping following the 2020 consultations. Soil dumping is a significant challenge in green wedge areas and has proliferated the potential environmental and amenity issues. The MAV and councils have advocated for action on this issue for some time.

A state-wide planning approach for agricultural land needed

Unfortunately, the planning strategy for agricultural land beyond the 100km radius of Melbourne is less clear. Councils, communities and agri-business need a robust evidence base and state-level planning policy to make better planning and investment decisions to protect and enhance our food supply. Rural and regional councils are the least resourced councils, yet every-day they weigh up protecting viable agricultural land use against competing demands, particularly for emerging small agricultural businesses, growing towns and dwellings on small farm zone lots.

We support the capacity building work of the Victorian government's Regional Planning Hubs Program and Agriculture Victoria's Agriculture Development and Planning service program which seek to lift council planning capacity. These programs have successfully partnered with rural and regional councils to assist their statutory and strategic planning overload work, improved planning processes and supported stretched council planning departments post-flood and fire emergencies. Stronger policy and planning tools would further boost the decision-making capacity of councils to protect local foody supply.

The current Victorian government planning policy proposals within Melbourne's green wedges and agricultural land are generally supported by councils, subject to effective implementation and governance. Review and monitoring of the success of the proposed reforms within 100km of Melbourne should be the foundation for a state-wide agricultural land use and food supply planning strategy. Councils will have detailed understanding of the issues which must be used to inform future reform.

Unfortunately, insufficient rural and agricultural planning strategy at the state level has led to inconsistent decision making which undermines local planning policy seeking to protect agricultural land, local economies and the Victorian food supply. For example:

- the as-of-right use for Small Second Dwellings (SSDs) in the Farming Zone without any siting or design control risks a proliferation of sensitive residential and accommodation uses on agricultural land. There is no ability in the planning scheme to restrict the use of the SSD, meaning the dwelling could be used for short-term rentals or other uses that conflict or are not associated with surrounding agricultural use
- rural and regional councils are seeing increasing conflict and competing demands between agricultural land and medium-to-large scale renewable energy projects and associated infrastructure. The MAV can support the state to deliver a coordinated regional approach to these planning challenges and help implement an overarching statewide plan where regional governance implementation models are required. Unfortunately, recent reform that restricts consultation on renewable energy projects and their associated infrastructure further restricts the community's ability to articulate the impact of renewables on the sustainability of their local agricultural systems
- changes made to the Victoria Planning Provisions in 2017 which introduced a VicSmart pathway for two-lot subdivision in rural zones, provided that each resulting lot is at least 40 hectares. We believe this allows increased residential use in zones such as the Farming Zone, without the opportunity to consider potential impacts on the intended agricultural purpose of the zone

The development of Plan Victoria is an opportunity to provide stronger direction for rural and agricultural planning policy and economic activity to secure Victoria's food supply. SGS Economics and Planning prepared the [Shaping Regional and Rural Victoria](#) discussion paper for the MAV in consultation with all rural and regional councils to outline a number of policy options to improve planning in rural and regional Victoria. The paper calls for better mapping of areas for agricultural protection that considers climate change and land capability, as well as stronger planning tools to support sustainable agriculture.

Recommendations to the Inquiry:

- **The Victorian government recognises and utilises council expertise through their obligations under the *Planning and Environment Act 1987* in developing and monitoring solutions for emerging and ongoing tensions on peri-urban and agricultural land**
- **The Victorian government establishes formal feedback mechanisms and governance arrangements with councils impacted within and around the 100km radius to resolve policy tensions between local and state planning polices**

- **The State develops a Victoria-wide approach agricultural and rural land use planning, based on the proposed green wedges and agricultural land reforms**
- **The Victorian Government continues to fund and resource the Regional Planning Hubs Program and Agriculture Victoria’s Agriculture Development and Planning service programs and partner with the MAV to investigate other programs and ways to support rural and regional council planning capacity**

5 The resilience of the Victorian food system, including the production of food, its transportation and sale

While Victoria’s food system seems sufficient now, future shocks from climate change and biodiversity decline will undermine the health and availability of fresh food. Growing more of our food close to our towns, cities and freight networks will improve climate resilience, but also reduce carbon emissions through fewer food miles travelled. However, unabated creep of conflicting land uses and urbanisation into green wedges and agricultural land will continue to undermine the capacity of our food supply to meet future demand.

Councils are strong supporters of efficient freight services that deliver local and broader economic benefits, jobs, and sustainable business growth. State and Federal Governments must prioritise local road and bridge funding to ensure reliable and direct freight access to farms, factories and businesses and to support a “future ready” road network. Local roads are being put under increasing pressure by changes to heavy vehicle mass and size limits.

We support the development a state-wide Food System and Food Security Strategy and Action Plan as called for in the [Consensus Statement “Towards a Healthy, Regenerative and Equitable Food System in Victoria”](#). This program of reform must be informed by councils and their existing strategic work, communities most attached economically and socially to food supply, and particularly Traditional Owners owing to their deep and time-rich understanding of restoring and maintaining indigenous food supply systems.

This submission has outlined that prioritising the protection of Melbourne’s green wedge and agricultural land is necessary and urgent. Recognising the importance of all agricultural land in Victoria must be accompanied by a progressive program of policy and planning reform for state-wide protection. Councils have local knowledge of food supply systems, understand the tools needed to support them, and are ready to assist in developing better planning reform to secure Victoria’s food supply.

Recommendations to the Inquiry:

- **The Victorian Government commits to the development of a state-wide Food System and Food Security Strategy and Action Plan as called for in the Consensus Statement “Towards a Healthy, Regenerative and Equitable Food System in Victoria”**
- **State and Federal Governments prioritise local road and bridge funding and betterment to ensure reliable and direct freight access to secure food supply**