

TRANSCRIPT

LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into Securing the Victorian Food Supply

Ballarat – Wednesday 22 May 2024

MEMBERS

Juliana Addison – Chair

Martin Cameron – Deputy Chair

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WITNESS

Gabby McMillan, Policy Officer, Planning Institute of Australia Victoria.

The CHAIR: Welcome to the next session of the public hearing in Ballarat. I just want to run through some important formalities before we begin.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. You will receive a draft transcript of your evidence in the next week or so for you to check and approve. Corrected transcripts are published on the committee's website and may be quoted from in our final report.

Thank you for making the time to meet with the committee today. Would you please state your full name and title and make any opening remarks.

Gabby McMILLAN: Okay. My name is Gabby McMillan. I am the immediate past president of the Planning Institute of Australia in the Victorian division. PIA wanted to present – I have heard submissions from some councils – a broader perspective on the planning system, and the planning institute represents local government, state government and developer interests, so planners coming from all different perspectives. I was just checking that you had read the submission before – I can take you to the key points if you like.

The CHAIR: Great. That would be terrific. Thank you.

Gabby McMILLAN: Okay. As I think you are probably already aware, land use conflict is one of the most significant issues that obviously can have a potential impact on food production, and the peri-urban areas are one of those areas where that is probably most significant or evident. As is kind of obvious, these are areas where there is likely to be an increased demand for residential land, particularly with the current government push in the housing statement for the supply of more housing; also, these are areas which are proximate to services, jobs and other infrastructure, so that is very attractive in that sense.

In addition, we have got that layer happening, but we also have the potential for climate change impacts, which we know are getting worse. As we saw with the storms last year, and I think there was some discussion about the impact on infrastructure, a lot of these areas are also going to be subject to flood, fire, erosion and more extreme weather events. And you have land use conflicts and climate change coming together, often in these peri-urban areas. I know PIA has got a statistic in the submission that is a little bit out of date, but I think PIA have previously done some estimates that about two-thirds of food production occurs in the peri-urban and coastal areas, and they are obviously areas which are quite sensitive to land use conflict and climate change.

We see that the role of the planning system is pretty critical in first of all identifying what the strategic food production areas are and where that food production needs to be prioritised over other uses. I think some of those key examples of other uses are housing, and I would call that broad – so you have got residential housing, but also things like key worker housing and things, which can create conflicts – and renewable energy infrastructure. And then it is looking at how those competing policy objectives – which are other values that exist in these areas, like environmental landscape and the way that those areas are valued by other people – need to be resolved.

It is not written in the PIA submission, and it might be self-evident, but the Victorian planning system is a discretionary system where you have a whole lot of planning policies and on any individual site you need to balance the policy. There is only one policy objective that is prioritised over other objectives, and that is bushfire. In 2011, I think, they made some amendments, and that was the first time we have had one policy that has been prioritised over another. Unless you structure the controls in such a way that really reflects what you want to prioritise on any individual site, you end up with a situation where you have got to balance the landscape values and the climate change risks and the need to protect agriculture and the need to provide housing. As you can imagine, for any poor local government planner having to deal with all of those things on an individual site, if they do not have certainty or some clear direction in the planning control, it is quite difficult to balance all of these on individual sites.

I think, in summary, PIA's submission is that the state government – or whether it is in conjunction, working with local governments, who obviously have the intel for each municipality. If this is such an issue that you

think it needs to be prioritised over other policy objectives in certain locations, then the planning controls should reflect that and give clear guidance to both decision-makers but also people looking to establish farms or build renewable energy. What is the priority for the government in this particular area, and how do we think a decision is likely to be made in this particular area? That is a summary of what we are saying, but I will go through a bit more detail.

I think the other thing is that there has obviously been a lot of work happen in this area. On page 2 of the planning institute's submission I have just run through some other work that is either underway or has been in the public realm where a lot of these matters have been considered. The themes running through all of this are quite connected, but I think at a basic level it does boil down to – well, in which areas are you going to prioritise food production over other policy objectives or other constraints that might already exist or will exist in the future if other plans come to fruition? I am thinking of transmission lines, for example, and forecasting. If there is a commitment to that, then what does that mean, and what is the trade-off that you need to make?

Do you want me to just keep going, or do you have questions?

The CHAIR: Please do.

Gabby McMILLAN: All right. In terms of a response to the terms of reference and the impacts of urban sprawl on population growth on arable land, I think I have addressed that already. It is really where there is that increased demand for different types of housing. They are clearly going to be the areas where there is already infrastructure, and they are often also the areas that are subject to climate risk. When those two things combine, the tension is more evident.

In terms of how you could use the planning system to protect agricultural land – your terms of reference refer to green wedge and peri-urban areas – the planning institute's view is that this is not just about those areas, even though that might be a particular high priority at the moment. There are settlements and other areas, like Hepburn and Moorabool, where as you have heard, they are not necessarily around Melbourne, but that same pressure exists for land. The first thing I would say is that the planning controls need to consider all aspects of food production. There is going to be intensive food production, so extensive and intensive uses, and they will require different infrastructure. But the other thing, when we are talking as planners, is you have got to think about how practices might change over time. You do not want to introduce planning controls that are too rigid and talk to particular standards that we have in 2024 that may no longer be relevant as techniques and things change over time. We say that the controls do need to provide sufficient flexibility, and I note that some of the standards that exist in the planning scheme talk to broiler codes. I know this is not food production, but some animal codes of conduct are from early 2009 and things like that. Is that still up to date? If it is, that is fine, but just with the way the planning system deals with that, it is important to provide that flexibility. Our recommendations for how you would sequence this work are drawn out of previous PIA work, but also we have looked at the other reviews and inquiries that have been occurring.

The first one is identifying clear criteria for the identification of what is strategic food production land, and we are saying that needs to be more than just a simple 'This is the quality of the soil'. It needs to also look at the proximity to infrastructure, transport networks and other things that make it of particularly high value, like the local capacity to actually produce food in that location. That is your baseline data where you say, 'These are the areas where we say they have some sort of strategic food production value,' and that is almost like a technical layer of assessment. What needs to happen after that, or what we recommend, is that you need to then do a realistic assessment of, 'Okay, that's the sort of theoretical lens of what the value of that land might be.' You then need to overlay some practical constraints, so looking at if there are any current constraints on that site – future constraints like climate change hazards or other land use conflicts that you think will impact on the ability to actually use that land for food production – because there is no point mapping something or identifying something as high strategic value if you know it is never actually going to be feasible.

When you have overlaid those two things, you will be able to see where the land use conflicts or constraints occur relative to this strategically high value land. The difficult point, is where you need to make a policy decision or a trade-off and you need to say, 'Where are the areas where we're going to prioritise food production over other policy objectives?' And also, 'Where is food production likely to be constrained by changes in the climate and need to be deprioritised?' Or you might have a certain timeframe on it where you acknowledge that in 50 years – it is great now – it might be in a transitional sort of area. We say that these

trade-offs need to be reflected in the planning controls that are applied spatially, so zones and overlays. In our view, broad policy statements around the right to farm and agents of change are not that helpful, and that is because they provide too much uncertainty when you are working in a discretionary system. If you are looking at all these things on one individual site, it is a little bit hard to apply that in practical terms. Where you have got known conflicts, there needs to be a clear decision about what the trade-offs are.

In terms of the resilience of the Victorian food system – so that is the third term of reference you had, including the production of food, transportation and sale – we recommend that when you are looking at the criteria for what is strategic agricultural land or food production land, it does encompass some consideration of access to markets, transport infrastructure and things like that. So it is part of that reality check on whether you can actually use it for food production.

Just in the further comments on page 4 of the submission, this work that you guys are doing at the moment obviously interacts with other ongoing processes. We have not written it down there, which we should have – I think that is encompassed in the housing statement comment – but Plan for Victoria is an opportunity to set the scene. PIA would be disappointed if it included too many motherhood statements that do not actually deal with these areas where you need to make a trade-off decision, so we would like to make sure that the information and work that exists or is already out there feeds into that process. Also, in the green wedges and agricultural land action plan I think we noted in PIA's submission there is a proposal to develop criteria and implement some planning controls to protect some irrigation areas, two in particular. I think we would just question, understanding they are very significant areas, why you would only do that for two areas and not look at it more broadly around other areas that are in the state – and we understand you cannot do all of this at once. And drawing on existing information would be useful.

With the housing statement, which is sort of Plan for Victoria, we understand there is some strong policy direction to support housing, but obviously, as we have said in our submission, the people living in these houses will need to eat – so looking at where housing should be prioritised. We also acknowledge definitely there is a role for key worker housing. And we should have said this in a recommendation: there might be a need to also revisit how some of the land use categories and zonings function, including perhaps definitions of dwellings and key worker housing. I think when I used to work in Mildura we had a hangover pickers huts (under a previous definition) – so something like that which acknowledges that it really is to service an agricultural need, not a lifestyle need. That might flow on from some of this work.

I think our third point there was that a whole-of-government response is necessary, and it is good to see that we have got representatives from a broad range of interests. It is not just about having the land there, there needs to be some monitoring to see if this is actually working. So you can do all the theory and then check that it is working and look at what markets exist and whether people are willing to use this land for food production.

I think that is the end of PIA's submission. Thank you.

The CHAIR: Excellent. Thank you very much, Gabby. Who would like to start off the questions?

David HODGETT: I will ask a quick one.

The CHAIR: Sure thing.

David HODGETT: Gabby, thanks for your submission. I think you sat in on the presentations by the Moorabool and Hepburn shires?

Gabby McMILLAN: Yes.

David HODGETT: I was going to talk to them a little bit, but we ran out of time, about the Bacchus Marsh irrigation district, and you have mentioned it too. My question to them was going to be along the lines of: is there adequate protection? And the more I look at your submission and some of the points you raise – we have got all these planning overlays and zones and things like that, yet we always come back and continually talk about problems with planning. One of the questions we had for you was about your thoughts on overlays versus zones, and I guess I am asking that question in terms of the Bacchus Marsh irrigation district.

Gabby McMILLAN: Yes. I do not know specifically about the Bacchus Marsh irrigation district. I will talk generally about irrigation districts, but the way the system works at the moment, every site has a zone, and then you have the overlays coming in on top. There is often a disconnect between the overlay and the zone – the overlay is trying to inform a built-form response, normally. I will use bushfire as an example, because this is one I am really familiar with. You say, ‘Okay, we’ve got this land zoned residential, and that was a good idea 15 years or 20 years ago, that this was an area where we wanted to direct some housing.’ So it is a general residential zone. You put a bushfire management overlay on it which might indicate that that is a higher risk area, and maybe that is not where you want housing anymore, but you need to revisit the underlying zoning. So I do not know whether it is zoning versus overlays.

The consequence of putting an overlay onto a site is that it is just another thing to consider, for the planner, when they are balancing all these policy objectives – so thinking about whether by putting an overlay it is likely to create some sort of conflict. So if it is an irrigated area, it is zoned for farming purposes; that is probably the most likely zone that is going to apply to the land. If you have a particular overlay that flags it as irrigation district – that is maybe not the right words, but something along those lines –

Jordan CRUGNALE: Special use.

Gabby McMILLAN: Special use. Yes, so an overlay – you have then got to check: are the zoning and the overlay consistent? Are they still driving at the same thing? And where they are not consistent, how will the decision be made about whether you should continue to use that land for food production if you have a strong policy for something else to occur under an overlay?

David HODGETT: Yes, because the example you use is – I guess you have got housing there, and perhaps you do not want to have more housing there, so you put in an overlay maybe as a preventative.

Gabby McMILLAN: To limit it. Yes.

David HODGETT: Similarly – or the same, but I am looking at it from the other angle – where we have got high-value agricultural land, how can we protect that? I think the words you used were ‘against other policy objectives’. We do want to have housing, we do want to have renewables but we do want to have really good, protected agricultural land.

Gabby McMILLAN: I think that is probably a zoning thing, because the zone controls are about use and development, whereas overlays control more the development side of things. I think a couple of those other reviews have included a review of the rural zones and whether they are fit for purpose, so it might lead to a need to identify a particular kind of – it has been tried before I think – high quality, you know, like where there is a higher level of protection required. Maybe that is not the normal farming zone or the rural activity zone; maybe there is some other level in there or you use a schedule to the zone to really earmark the significance if it is important.

The CHAIR: Good question. I was just wondering: what planning policies and controls for agricultural land are working well? What should we be looking at for ‘Here’s an example where agriculture –

Gabby McMILLAN: I would say a good example is probably – I think we just referred to the irrigation district. In the renewable energy guidelines it is very clear that you cannot build solar farms in irrigation districts. That is an example where it is very clear: ‘This is the priority. Build your solar farm on the paddock next door.’ That is an example where it works well, because there is really clear direction and there is no uncertainty. People are not coming along and buying the sites and saying, ‘Oh, that’s a surprise – I have to balance all these things, and I thought they’d balance in my favour.’ So that is an example where I think it does work well.

The CHAIR: Using that as an example and springboarding from that, what do we need to strengthen?

Gabby McMILLAN: Looking at all the layers I think is kind of what you need to do. You actually need to step back –

The CHAIR: Right – so these overlays. So we have got these zones, and then it is the protections that come from the overlays.

Gabby McMILLAN: Yes, but if you have got, say, a zone on the land that is encouraging two things, what one do you want to prioritise, and be really clear about –

The CHAIR: And be really clear of who trumps who –

Gabby McMILLAN: Yes.

The CHAIR: as if you were playing a game of five hundred.

Gabby McMILLAN: Yes. Exactly. I like five hundred.

The CHAIR: I am thinking of my heart trumping my club, but that is all good. Other questions – Daniela.

Daniela DE MARTINO: Sorry, I was just chuckling along. I love five hundred too, but anyway. So would you recommend that that needs to be finessed, then, the prioritisation of the different overlays? So, say, in a certain section we go, ‘No, food trumps housing right here, because of the nature of the land, the topography. It’s perfect for good, high-yield agriculture. But over here residential housing is going to trump everything else other than a threat to life, like a bushfire management overlay or erosion.’

Gabby McMILLAN: Yes. So I think you need to have the data about what the land is you are trying to protect, and then you need to do an audit of that information – I will call it the reality check component. And part of that reality check is looking in those locations – this is obviously a big job – and looking at the layers of controls in each of these areas and saying, ‘Well, what’s the consequence of that?’ So if you had an application come through: ‘What are all of the matters that need to be considered, and is there a priority?’ Bushfire is the only priority at the moment, so that is kind of easy, but how would you deal with all these things? And maybe taking some controls out might be an answer as well. It depends on the location, because there might be some areas where the controls are fit for purpose and there are no issues.

Daniela DE MARTINO: Given it is such a big job – but you know, how do you eat an elephant one bite at a time? Sorry, elephants. I do not know why I used that example, but –

David HODGETT: To get it into Hansard.

Daniela DE MARTINO: Yes. I know. I just realised. But in terms of tackling this, where would you begin? Where is the starting point if this is the job that needs to be done?

Gabby McMILLAN: I think as part of the Plan for Victoria there needs to be a layer in there of ‘What is the high quality agricultural land?’ Even if the data is not perfect, I think there would already be a lot of studies out there that have already been done, and it is a case of gathering that information together and creating a layer. I think PIA has said in the submission, maybe as it is such a big job you start in peri-urban areas around existing settlements, because they are probably the areas most under pressure, to roll that model out eventually across the state. I think you have probably got the information out there, and then you can layer on, map the infrastructure, climate hazards – that is a very snapshot thing you could do – and then use that layer and then put that into the Plan for Victoria. And then the key is, though, if it is in the Plan for Victoria, there still needs to be a consequential change to every individual planning scheme. I would say that this is as high a priority – so, for example, with bushfire, that was identified as a high priority. The state took control of that mapping process and introduced the maps. So that might be necessary.

The CHAIR: Can I continue along this path. What impact do you think this will have on land values and speculative investments?

Gabby McMILLAN: I am not really an expert in that area.

The CHAIR: But if we make it really clear that ‘You are not going to be able to put a renewable energy solar farm on this’ or ‘You are not going to be able to do this because it is a water irrigation zone,’ with your 20 years experience have you any understanding of what that might be?

Gabby McMILLAN: It depends on what the value of the land is at the moment and how they value it. I think in terms of the speculative side of things, if there was more certainty then people would not speculate. I do not know whether that is – you would not have a buyer –

The CHAIR: You are not going to land bank something that you are never going to be able to realise an improved capital value on.

Gabby McMILLAN: Yes, you have got certainty.

The CHAIR: You are going to put your money in the stock exchange or a different investment, because if the value of the land is not going to deliver for you, the very reason to land bank suddenly has perhaps –

Gabby McMILLAN: It has disappeared.

The CHAIR: Yes.

Gabby McMILLAN: I think it is that, but obviously for people who already own the land the value to them may go up or down depending on how they use the land at the moment or what they think the capacity of the land is based on the existing controls.

The CHAIR: Yes, but if they then have certainty, that will then guide their decision-making perhaps.

Gabby McMILLAN: I hope so, yes.

The CHAIR: We were talking earlier about that if someone knows that their farmland is not going to be a part of a growth zone for 30 years, perhaps they will invest in the upgrade of the dairy or they will invest in additional approaches to cropping or they will invest in this because ‘This farmland is going to remain farmland for the next three decades. This is our family business. There is no opportunity for me to make other business decisions because we have got this certainty for next three decades.’

Gabby McMILLAN: Yes. I work with a lot of proponents who just want certainty. That is a strong message that I hear through the planning institute and in other work because a ‘quick no’ is better than a drawn-out ‘maybe or yes’.

The CHAIR: Death by a thousand cuts.

Gabby McMILLAN: Yes.

Jordan CRUGNALE: I will just go on further with the strategic food supply, the mapping, starting in that peri-urban and looking at that layer of current – what is out there now. We saw the potato coolrooms, and they are getting potatoes from the whole district – perfect – and you were talking about the transition between now and it might be all right in 50 years or something, for a period of time.

Gabby McMILLAN: That is probably more like the climate hazard and what the modelling means for the viability, and I do not know whether people have done much analysis on that. You have to speak to Agriculture Victoria or something.

Jordan CRUGNALE: It is kind of like looking at: what is great agricultural land now and what will be great agricultural land in 30 to 50 years and then 50 years and beyond.

Gabby McMILLAN: Yes.

Jordan CRUGNALE: What we are seeing in Gippsland too is that all the winegrowers of the north are all coming down because the wine and the climate are going crazy, in a really good way. Do you see that sort of big policy of having those three kind of layers to it?

Gabby McMILLAN: Yes. I mean the planning system –

Jordan CRUGNALE: And the certainty.

Gabby McMILLAN: Yes, so there is that balance between certainty and flexibility. But if you know that something is going to be viable for 50 years – the planning schemes are reviewed every four years – it is how you keep that data up to date. It maybe goes back to I think the monitoring and review side of things. You can make a prediction about what you think, and then how do you make sure that the mapping is kept up to date and reflects the latest data? In 50 years time we will probably have AI to tell us anyway. But yes, how do you

keep it up to date and make sure all the consequential changes in the planning schemes are made along the way as well?

Jordan CRUGNALE: And then within that too, it is kind of looking at creating biolinks, really, which also we can add as buffers to whatever is happening on either side of the biolink, and then within that too the water aspect. We have not delved into the water aspect of this whole food production stuff over the next hundred years.

Gabby McMILLAN: Well, I think that is the climate aspect, where you know that some areas are going to get wetter and some are going to get drier, and I think there would be climate scientists out there who probably have an idea about what is going to happen. You do want that included in the map, but it is a big job, so that is why I am like, 'You start with the basics.' What do we know now about what is the high-quality land and what is the land most at risk from these other challenges? That is probably where you would start just to get things going.

Jordan CRUGNALE: And then how do we direct certain industries into certain areas of the state to do what they need to do on the land that is best for them?

Gabby McMILLAN: Yes.

Martha HAYLETT: Gabby, I just wanted to ask for your thoughts on planning for the green wedges and agricultural lands action plan. We have had a lot of feedback through this inquiry that there are a few things missing from there – it needs to be strengthened – and obviously the plan for Victoria and others will hopefully address some of those. Can you give the committee any thoughts on your feedback about that action plan and things that you think need to be improved in it?

Gabby McMILLAN: I probably do not have a detailed response on that, but I think the action plan ultimately needs to be reflected in Plan for Victoria. The two things should come together. As it relates to protection of food production land, I would say it is not just about a hundred-kilometre buffer. It is more complicated than that. There might be something that is 200 kilometres away but has a good transport network or access to markets. So I think that just at a high level may be constraining. I understand why it has been constrained to that area, but I think it needs to be integrated into Plan for Victoria so you can have a bit of a broader view about what it means for the areas that are connected around the outside of that. But I do not have a detailed response on what is missing.

Martha HAYLETT: That is okay. No worries. Thank you.

The CHAIR: Gabby, I am conscious of the time, but I am just interested: with the Planning Institute of Australia, different priorities and agendas play out over time, as you know. Within your planning network and the planners that you know, are people talking more about securing the Victorian food supply? Is this becoming a trendy topic, or is this something that we have still got to bring the planners more with us?

Gabby McMILLAN: I think it depends on which planners you talk to. I guess for planners that work in regional areas, they would be a lot more alive to that issue because they are dealing with it day to day with the applications for lifestyle properties and things, so they are probably more aware of it. I am not saying that people in more city environments are not aware of it, but it is probably just not as front of mind as other priorities at the moment like housing and climate change. I do not know whether I would define it as trendy, but I think it depends on what your perspective is of what you are working on day to day.

The CHAIR: Yes, so ultimately with our inquiry we have got to make sure we get it out to all these planners so they start talking about how they adopt ideas of securing Victoria's food supply into their practice. That is a challenge for us, I think.

Gabby McMILLAN: Yes.

Martin CAMERON: Is there a plan for renewable zones – that is, for transmission lines that are going to march through different communities?

Gabby McMILLAN: I understand they are starting a consultation process at the moment, which I think came out after PIA had written its submission, so I can send some stuff through. I think we have reached out to

VicGrid to get some more information on that, because it would be obviously another thing where we have said that should be integrated into Plan for Victoria, so you can see where all of these things are coming together and where the likely tension points are. I am not sure what the timeline is for that work at the moment, but I can follow that up and send something through, if you want.

Martin CAMERON: It just seems that talking with different councils around the state and different landholders, there is not that plan as such. A lot of people are feeling that they are just going to be told where it is going to go, and I think that –

Gabby McMILLAN: I think there is a process at the moment, and they obviously have the existing renewable energy zones, but they were defined not in a planning way. I understand they were defined based on the resource and a different type of consideration to what a planning brain thinks about what a zone is. I think you alluded to the zones, but yes, the language probably a bit gives an indication that might be different from what a planner would think of.

Martin CAMERON: That is major infrastructure that needs to come in, so does that gazump everything?

Gabby McMILLAN: That why I think, when you are looking at going through this reality check, you need to look at existing conflicts and future conflicts, because if you know something is planned – even if it is the upgrade of the Western Highway – you know it is coming. Is that good or bad? It might be good. It might provide better transport options, but it might also cut a farm in half and sever some access locally. And it is not just those projects; I would say there might be other things that are in the wings.

Martin CAMERON: Is that that trade-off that you talk about?

Gabby McMILLAN: Yes.

Martin CAMERON: Like if the Western Highway goes through prime farmland but it is going to open up the rest of Victoria –

Gabby McMILLAN: Yes, what are you prioritising there?

Martin CAMERON: Yes, what are you prioritising?

Gabby McMILLAN: Transport safety and access to Adelaide maybe might be more of a priority.

Martin CAMERON: Yes.

Gabby McMILLAN: But you can make that decision once you have the information.

Martin CAMERON: Thank you.

The CHAIR: Gabby, thank you so much. Our time is up. Thank you for your submission as well but really for talking through some of the most significant issues and giving us really food for thought about who trumps who – gazumps I think is my friend from Morwell's line. But we really appreciate your input today. You will be hearing from us. If we have any more questions, are you happy for us to send them through?

Gabby McMILLAN: Yes. Do you want me to email the renewable energy plan information?

The CHAIR: That would be amazing. Thank you very much. That would be terrific. Thank you, Gabby.

Witness withdrew.