

TRANSCRIPT

LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into Securing the Victorian Food Supply

Melbourne – Friday 3 May 2024

MEMBERS

Juliana Addison – Chair

Martin Cameron – Deputy Chair

Jordan Crugnale

Daniela De Martino

Martha Haylett

David Hodgett

Nicole Werner

WITNESSES

Emma Germano, President, and

Charles Everist, General Manager, Policy and Advocacy, Victorian Farmers Federation.

The CHAIR: Welcome to the public hearing. I will just run through some important formalities before we begin.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. This means that you can speak freely without fear of legal action in relation to the evidence that you give. However, it is important to remember that parliamentary privilege does not apply to comments made outside the hearing, even if you are restating what you said during the hearing.

You will receive a draft transcript of the 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 in our final report.

Thank you for making the time to meet with the committee today. Could you please state your full names and titles and make any opening remarks that you wish.

Emma GERMANO: Thank you very much. My name is Emma Germano. I am the President of the Victorian Farmers Federation.

Charles EVERIST: Charles Everist, I am General Manager of Policy and Advocacy at the VFF.

The CHAIR: Welcome. Thank you so much, Emma, for being here today.

Emma GERMANO: Thanks for having us. I would just like the committee maybe to think about this kind of statement, 'Death by a thousand cuts', and to maybe hold that phrase in your mind to create a context for what we are actually discussing here today. I note that there is a food security inquiry taking place at the same time, and there was a federal government food security inquiry last year. I have read quite a number of the other submissions that have been made to this inquiry, and what is really striking is how there are lots of different perspectives and all of those perspectives come from almost a microcosm of where the submissions are being made from.

In our submission we talk about how Victoria's land mass is only 3 per cent of Australia's land mass, and yet we put out some 30 per cent of Australia's food. There is a difference between food security and food manufacture or the growing and production of food. Food security can come from many places. Food supply is related to food security, but there are many factors that make up how we supply food.

I would question whether or not what we are asking is, 'Are we food secure in Victoria?' Many people can very easily say, 'Oh, yes, we are exporting to all of these other nations, and therefore we have food security and our supply chains must be quite robust.' And we hear about farmers being resilient and the food supply chain being resilient, and then we see events like the pandemic, where all of a sudden there was not food on the shelves for every Australian. We can also look at this through the context that whilst we do talk about being a net exporter of food as a country and even as a state, there are many Australians right now who already face food insecurity, and that is obviously related to the food supply chain.

This notion of death by a thousand cuts – we have this planning system where isolated decisions are being made, and whether it is a local municipality or a shire making a decision, they are making the best decision they can with the information that is available to them at that point in time. Everybody in earnest is making decisions that they feel are right, but we lack an overall or overarching strategic plan around food supply in this state, and we fail to even value the economic benefit of that food supply in this state. So there is a notion of, 'Are we actually talking about farming and agricultural security that we continue to provide food from this state or are we going to rely on the fact that we can get food supply for other places – i.e. importing our food?'

I understand that the terms of reference are very much looking at the planning schemes and provisions, and we are thinking about this from the planning Act and that kind of mindset, but to just narrow down food supply into these tiny little things that impact it – i.e. the planning provisions or whether we are talking about the roads

in Victoria or any of these things – if you look at all of those things in isolation, you miss the bigger picture. So the first thing that we would say is that Victoria has to, as a state, identify what is the responsibility of Victoria as a state in regard to food supply not just in the state of Victoria but the impact that that has on food security and food supply to the rest of the country and then this notion of economic driving of being able to export that food elsewhere. But what we tend to see is many policy decisions made in isolation from each other without an overarching strategy as to what we want Victoria to do. In fact, does Victoria want to be the accommodation hub of the whole country and we fill up all of our land with houses, because that could be a great thing? Well, it might be, but we certainly have not made that decision.

What is also really complicated are the planning policy frameworks, the provisions and how they all fit together. I know as a farmer who has had to go to my local council on a number of occasions for planning issues that the council seem just as frustrated in having me apply for any kind of planning permit as I am having to manage going through that process. So it is difficult for everybody, and you often see shire councils that are very limited in the resources that they have available to them – and not just financial resources. As we know, particularly in regional Victoria, we have got shire councils that are significantly underfunded in regard to the services that they are being asked to deliver to the community, but there is also a knowledge gap. Those guidelines that have been spoken about to you need to be more robust to assist the planners in those local councils and shires to be able to make these decisions. But of course, like I said, they are making decisions in their own patch and they do not know how that impacts everybody else or food supply around the state and indeed the country.

With those opening comments I guess just from an overarching perspective what we are saying is: you must map the land in Victoria and you must understand it is not just a simple as ‘this is the farm zone’. The example that I will give is one of my counterparts at the Victorian Farmers Federation who farms in the Wimmera. He and I were discussing stocking density. I am a vegetable and livestock producer. I have sheep on my farm. The stocking density of lambs that I am able to carry on my farm is 10 times the amount of those that the farms in the Wimmera are able to carry, so there is a big difference. To just say, ‘The farming zone is the farming zone and that is fine’ really fails to understand the nuance of soil types, average rainfall, whether or not there is irrigation available and whether or not you have a regional centre or a big town near you. All of these things need to be strategically mapped. The VFF called for that mapping of agricultural land really for the purpose initially of renewable developments and transmission lines, saying, ‘You need to map all of this stuff before you know where you’re going to build infrastructure,’ because without a map you are simply making, again, these decisions in isolation. We would say, first and foremost, that there needs to be a strategic plan. That has to be based off that strategic agricultural land mapping, and that needs to be a whole-of-government approach.

There is a real danger that the environment minister is separate from the agriculture minister is separate from the water minister is separate from the planning minister, and what we see is that sometimes the right hand does not know what the left hand is doing. What we have got the moment is the outcome – I should not say chaos, I think that is probably a little unfair, but this is the outcome of what happens when you do not have a strategic lens to look over the decisions that are being made. We are seeing the degradation of the amount of land. And they are not making any more of it – that I can assure you. We really have to contemplate all of these things that are very complex and not jump to oversimplifying decisions or policy direction so that we do not see this continual loss of agricultural land – if that is indeed what we want. We are the farmers federation, so of course we say ‘Maintain the farming land – it is super important.’ We have to have the other strategic objectives of the state in mind, but we have to look at them all at the same time.

Finally, I would say that in trying to understand the planning system collectively, what my understanding got to was that we have a lot of a lot of power vested in the planning minister – just about all of the power is vested in one individual, who is being asked to make decisions without that overarching guide. But further to that, it means that the government does have the power to change these things – to look outside and say, ‘We don’t understand, or we don’t have the mechanism.’ The power is vested in the government to ensure that there are sound policies in place so that we can have a policy about how we feel about food supply and production in the state of Victoria and why it is important.

Charles EVERIST: I would just want to emphasise, and building off what Emma just said, the need for a holistic and whole-of-government approach when it comes to our food security. So it is not just planning schemes or the planning system that needs to be looked at. That is obviously a critical part of it, and obviously a key focus for yourself. But it intersects and overlaps with water policy, with our freight and roads policies, and

with emergency management – how we are responsive to natural disasters. I know before there was some discussion around climate change as well. All of these things overlap and intersect, and that is why our chief recommendation to you is to put forward that there needs to be a statewide plan for food security, bringing together all of those pieces. There also needs to be a great increase in capability and understanding of farming.

We know that that disconnect, particularly between rural and urban communities, is growing. When I used to talk to people, everyone had an uncle who is a dairy farmer. That is now becoming less and less and less, and that is reality. But we need to also focus on that connect between the communities, because when you are asking planning authorities to make decisions that will have broader consequences on the agricultural industry and our food supply – Emma and I are people who have been involved in and around farming all of our lives. We can look at a map and a Google Earth view and sort of tell you what type of farming is happening where just by a quick look at it.

Emma GERMANO: In fact it is a bit of a hobby.

Charles EVERIST: Yes, that is what we do at the VFF – sit around looking at maps all day. We are able to do that, but to expect that other people have that sort of knowledge and capability – it is not there. So it is critical that government is supplying to the planning authorities, whether they be local government or the planning minister herself, that they have that guidance, that they have that information. But that needs to be backed by a strong policy, and there needs to be a policy position of the government: ‘We value agricultural land, we value food security and we will protect it.’ I think that there are a lot of glib statements in and around government, particularly around bureaucrats, and we can get lost in the detail of how the planning scheme works. But that overarching statement, that food security matters, has to be there, and it needs to be there in every piece.

I will make one last point on that. I heard in your session just before a discussion around the government’s housing statement. Well, I quickly did a control-F on that housing statement, and did it mention agriculture, did it mention food – no, not at all. That is something that needs to be considered: that across our policy food is critical to life – it is critical to everything. We should be considering that as part of all of the work that government does.

Emma GERMANO: We are almost a victim of our own success, because what you hear all the time and what we say all the time is that farmers and the industry are very resilient. But again there is that notion of death by a thousand cuts. These are the decisions that are outside of a farmer’s decision-making process that can eventually amount to significant degradation and loss.

I would also just pick up on Charles’s comment about glib statements. We can also have a very romanticised view of peri-urban farming. If you take a drive down to Werribee South, whilst it might feel really nice that we have got this food production on the edge of the city and we call it the food bowl and we say all of these things, farming in that area has become so difficult because of a series of planning decisions that have been made. But you could just about be run out of town – which I nearly have been – when you start talking about the fact that it should remain farming land forever, because you have got farmers there who have actually anticipated that that land is going to be able to be rezoned in the future and that that is an exit strategy for them. In some cases that is actually really positive, because as an exit strategy they take the income. You do not pick up the infrastructure and you certainly do not pick up the soil, but they will pick up the business and move further afield with really great money to invest in other sites and other places where they might develop the land from livestock to, say, high-value horticulture, which we have seen in many cases. But if you lock people in a particular place, it becomes really difficult.

The land that I am on, let us just say roughly it is worth about \$15,000 an acre – and I am sorry, most farmers, even the young ones, still talk in acres. If you look at the cost of land in Werribee South, which is still primarily being used for the same sort of production as my vegetable production on my farm, you are talking about \$150,000 per acre. You do not have to be an accountant to work out that the return of the business does not justify the value of the freehold land. We have actually got a system where those farmers are still holding onto that land because anyone who is going to buy it can only really buy it for vegetable production at this point in time. But they are holding onto it in the hope that it will be rezoned. You have also got farmers who are now speculating in land, or land banking per se, and that is also problematic, because that can stifle innovation in the industry and the growth of the agricultural business. That often keeps older farmers farming, because they say,

‘Well, what else am I going to do? I might as well do that.’ That actually has an impact on the whole sector. So it is really complex and complicated, and we cannot just have this romantic view of ‘Let’s protect Melbourne’s food bowl; it makes everybody feel really good’. When you are farming up against primary schools and Wyndham Harbour and you have got people complaining about soil on the roads and that you cannot spray and that you cannot put your manure down and that your water is now a shandy of salt water, it makes it really, really difficult, and it actually makes the farming practice far less efficient.

I am not saying that what we should be doing is simply protecting every last bit. Again, we have to go back to that strategic land use and then think about where we need houses and accommodation and other amenity. But every time I drive back to my farm, which is in Gippsland, I do get very, very frustrated when I see that that beautiful country through Pakenham South and Koo Wee Rup – which is the only place where that sort of soil exists, in that place, right there – and we have built the train depot right over the top of it when there is less productive, less fertile land in other areas that are in close proximity to the city that could have been utilised. But for a failure of having that overarching plan, we have popped that facility out there.

So I will give you some time. But other than just rambling on and telling all the things that we think about, we might let you ask us some questions.

The CHAIR: Thank you very much, both, for being here. You have certainly cracked open lots of things for discussion, which I am really interested in exploring, as I am sure are all members of the committee. If I could just kick off and talk to you about our green wedge locations, do you see any protections or benefits for farmers? Like, are these adding value to protecting essential areas of farming?

Emma GERMANO: I guess yes is a short answer, but again it has to be strategic in some of the regions. I know that within a municipality you have farmers who want to protect the green wedge and farmers who are saying, ‘This is actually not helpful for us,’ and the difference will be where the highway runs through. I guess that really highlights the fact that you have to be very area specific and understand. There almost needs to be that review shire by shire or council by council to have a really clear understanding of the impact of the green wedge in those places. But again, I am going to keep coming back to this notion that we have to know what we want to achieve before we can answer whether or not a green wedge specifically is helpful in any particular area, because in some zones, in some places, that is problematic, and in some zones people are very fierce about wanting to protect the green wedge.

The CHAIR: Martin.

Martin CAMERON: Where do you see our farming moving forward to, like, in five or 10 years? Is it going to be as it is now? Are farmers coming to you with similar problems and similar issues, or are they all region specific?

Emma GERMANO: I guess the reason why the Victorian Farmers Federation – we have this kind of unique role in that we represent farmers across every area of the state, and what we try to focus on are the things that impact every farmer. It does not matter where they are located, what the size of their business is or what it is that they grow, we focus on those issues. In some respects the issues of each individual farmer are usually quite similar to everybody else’s. There might be a slight nuance.

Where is farming going? Well, we can see that there is this consolidation of farms, which means that production does not necessarily drop off, but the number of farmers does drop off, and that has implications particularly for regional communities, where all of the farmers’ kids were using the schools and that made viability for schools and doctors and that local area. So that is one consideration.

We are seeing technology has exploded. It is hard to look forward, but it is really easy to look back; even if you look at how farming was 10 years ago you can see that there have been substantial changes. It is difficult to know what kind of technology is going to be developed into the future. For example, and it is a particular bugbear of our organisation’s, putting transmission lines into a place and saying, ‘Oh, you can do agriculture alongside transmission lines’ – well, in some cases that is true and in other cases it is not true. What we are already seeing are things like usage of drones and aerial spraying, and we are already seeing that kind of conflict between being able to crop and having transmission or renewable energy facilities where people cannot come in and do the spraying within 1.5 kilometres of a transmission line or a turbine. Those sorts of technological advances – what we know is that if we say, ‘Here is a transmission line that we built 80 years

ago,' the type of agriculture that has happened around those transmission lines has been limited by or worked with those transmission lines; so you will see livestock production under transmission lines. Having said that, if we had mapped earlier the soil type and the irrigation districts, if we knew what the potential of that land was, we might have said, 'Well, we've just taken out all of this economic potential, because we could have had high-value crops or high-value agriculture in place,' because back then, 80 years ago with tractors this high, we did not know what was coming. I think it is really important that we err on the side of caution when it comes to disrupting farmland, because those technological advances mean that we are able to grow different things in different places, and that will continue into the future.

Martha HAYLETT: You touched on some of it, Emma, obviously, and we heard about that statewide plan as well, Charles, in terms of what you are after – it is a big question, but what do you see as the biggest vulnerabilities for food supply right now, and how do you think that the Victorian government needs to address those vulnerabilities? I mean, 'How long is a piece of string?' I am sure, but what do you see as the top vulnerabilities?

Emma GERMANO: I think that is a great question, because not caring about it or not making it central or not considering it in every policy decision is the biggest vulnerability. Because to your point – to start blaming: is it climate change? Is it accommodation being built? Is it the planning provision? Is it how we do freight? Is it genetics? There are so many different things that make the industry vulnerable, but it is the fact that we do not have this overarching care about it. We just take for granted that we have food security. The majority of people making policy decisions have not had a history of coming from a place of food insecurity. We have forgotten about it post-World War II. We have been very rich as a nation. We have been able to grow all of this food, so we have just taken it for granted. But we can see that there are so many things that impact that now. Natural disasters – people will say, 'Why has a lettuce gone to \$11?' Well, you know, Queensland has been flooded. We have been flooded here. We have seen massive floods two years in a row. That actually does have a massive impact on food supply. But all these little things, again, are disparate, and they need to be brought together with the notion of: what are we doing, and do we care about it? Because you can take it for granted, and you can see very quickly with something like a pandemic that all of a sudden we have this threat. Or little, silly things that you would never imagine – I did not even know what AdBlue was or why it is so important until we had a shortage. If we do not have AdBlue, all of a sudden all of the trucks stop and we do not have access to fertiliser. You can say that we are food secure and that we export 60 per cent of what we grow very quickly – when I say 'very quickly', I mean weeks, days and months time frame. You can totally disrupt the way that food production and supply happens in the country.

Charles EVERIST: I would say that the greatest example we are seeing of that failed mentality and care for farming has come about in the transition to renewables. I know, Ms Haylett, that is obviously an issue that is dominant in your electorate. Had we seen that care at the start of the planning of transmission lines through your part of the world, I think we would have been able to overcome a lot of the challenges that we are now having to grapple with. That is why the VFF back in 2018 called for a statewide plan for transmission and renewable energy – because we saw that we were just building renewable energy developments in disparate parts of the state and no-one had thought to link them back to where the energy needed to go. There is a lot of catch-up now. I know that the VicGrid Bill passed Parliament yesterday, and we are engaging with VicGrid around that strategic agricultural land study. Because take the ideology out of your argument over what energy we should be using, the fact is there is renewable energy development already here, and more in the pipeline. Ensuring that it is compatible with farming and food production is absolutely key.

Emma GERMANO: I will just add that you go to a VFF branch meeting or a VFF conference and everybody has got a different existential threat to farming. Everybody will tell you a different existential threat. I guess what we are now saying is that this land that we are not making any more of has more competing land uses than what existed before. We are being asked as landholders – maybe not as farmers, but as landholders and farmers – that we should be providing food, we should be providing biodiversity services, we should be doing carbon sequestration emissions and we should have renewable energy on our properties. There is so much land use conflict that, again, to consider all of those conflicts without an overarching 'How valuable is the food?' is really problematic. Again, not to bring it back to transmission lines every 3 minutes, but the notion of the way that those powerlines were in the planning process developed – they were developed by a company whose only objective was to ensure that power bills are cheap. Now, it is really great to have a cheap power bill – and I am just talking as an ordinary Victorian or Australian – but if your food bill doubles and your power bill

halves, are you better off? Well, guess what? That was never considered in the planning of these things because: 'We've just got so much food – why would anybody bother?'

Nicole WERNER: Thank you. This has been so insightful, and I appreciate you saying that the plan is what we need holistically and across the state. Just to help deepen our understanding and knowledge, I wonder: do you have any case studies or specific examples you could share with us of specific farmers that have been impacted by bureaucracy red tape? I appreciate that you have shared some of your stories, but for my own curiosity I would love to hear some stories of real-life impact.

Emma GERMANO: We should set up a forum for you with a number of farmers at the VFF. Some of the farmers that we hear from the most become a case study for everything that we do. We have got farmers who are trying to farm with gas lines and electricity transmission lines overhead and next to transfer stations. And when it is council land, we talk about the encroachment of pests and diseases – whether it is council or state land. We have got examples of farmers who are being told they cannot put their irrigation motors on during the night because people are trying to sleep, and that means that they need to put a shed around the irrigation motor and that they should irrigate at particular times. This is also relevant to the EPA and the things that we have got to do to satisfy the EPA for people who are moving next door to what people would say are intensive production facilities. On one hand, intensive production facilities use a far smaller footprint and therefore can essentially put out more food using less resources, and it is very controlled. But you have got this urban encroachment coming along, with people saying, 'We don't want to be living next door to the pig farm or the chicken meat farm or the chicken egg farm.' We have countless examples of where that lack of understanding creeps in – and also, again, poor planning decisions.

I would say that Werribee South is a really strong example of poor planning decisions. I am not saying that we should not have the Wyndham Harbour or that we should not have houses there. Perhaps the very best decision is to turn the whole thing into housing and that would be a really great strategic decision. But there are planning decisions that leave producers isolated in this spot that they cannot leave and cannot get out of. Another example is when the local school is saying, 'You can't spray your crop protectants because we've got kids in the school.' That is completely reasonable of the school. We get taught when we are doing our chemical users training what vulnerable things are – a house, a school or this or that – and how to avoid them. But at a certain point in time, if you have got your farmland right up to the back fence – and it is literally right up to the back fence – of the neighbouring housing development, it is neither the farmer's nor the resident's fault that they have been put into this position of conflict. That is the planning system that is failing in that instance. We do need to think about buffer zones, but again, we need to be thinking about it and giving producers and developers the opportunity to understand for greater periods of time and with greater times of certainty. So if I know that I am in Werribee South and my land is not rezoning for the next 50 years, that is going to have an absolute impact on the land price. I am not saying it is positive or negative. Assumedly, if you know that Werribee South is never going to be redeveloped, the land value will drop back down to what is congruent with it being land for farming. But if you are always anticipating that it might go at any point in time – and that might end up being two or three decades – it totally changes the decisions that a farmer is going to make.

Often the way that we farm is multigenerational, and we are thinking about 'What about my kids and my kids' kids?' Nine out of 10 farmers in Australia are still family farmers. I have noted that some of the submissions talk about the ability to excise a house off the farm. In the instance of my farm, we have excised the house off the farm so that my parents have a secure retirement. They have their house now and it is unencumbered. That means I get left with the debt, but thankfully they are still there helping me pay it off. But it was really important for our farm business. Now, you might say, 'It's only important because it's Emma and her mum and dad,' and it might only be important to Emma and her family, because someone else might come along if they have to sell it. But protecting multigenerational farmers is also really important, because it is your multigenerational farmers that are there at 3 o'clock in the morning when the cows are calving. It is not the employees in a large corporate business, generally speaking. And we have a really significant issue in regard to securing our workforce. So all of these are decisions – again, like that notion of death by a thousand cuts – need to be considered from a wider framework. What do we care about? Do we care if we lose a number of farmers out of the regions if we are still producing the same volume and value of food? Perhaps we do not care. Perhaps we say, 'Doesn't matter. Let's let farms corporatise and become bigger.' It does not threaten our food security, but it does threaten our regional viability security. And that may or may not be important.

Just a little bit of further context: I did a Nuffield scholarship, and I was with one of the French scholars and we were kind of arguing the notion of subsidies. Australian agriculture is one of the least subsidised in the OECD. That makes us very efficient. It makes us resilient. It means that we do not farm expecting a handout from the government. She and I were having an argument about it, and I said, 'Well, you know, it stifles your innovation, and it keeps you from people,' and she said, 'Yes,' but as we are driving through France we can see that in a little restaurant in a tiny little town – that if it was in Australia would have no people in it – come 6 o'clock there are 200 people available, because the farms are smaller and they have kept all of those people in the regions. I am not for a second saying this is right or this is wrong; I am saying that we have not decided collectively what is right and wrong and created a policy to therefore have decisions that are reflective of that policy position that we have come up with.

The CHAIR: Well, questions, people.

Nicole WERNER: On that point, speaking of the smaller farms, what do they offer in contrast to the larger, more commercial operations?

Emma GERMANO: I think, again, there are pros and cons or benefits and drawbacks for all styles of production and all farm sizes. I think that all of these different farms create a mosaic that produces food. I saw in one of the submissions, 'Oh, don't worry about it, because only 10 per cent of the food supply is created from blocks of land or farms that are less in size than 20 hectares.' Those farms in particular might be the ones supplying very directly into the local economy, with shorter food miles per se. They might be ones like my farm – my farm is slightly bigger than, but we have a farm shop that customers come to, and some many kilometres, because they enjoy the experience of shopping on the farm and they feel like that gives them a closer connection to where the food comes from. It gives us an opportunity as farmers to demonstrate what we do as an industry and to bridge that gap – the urban and rural divide. So to say that they are not important because of volume or value is not quite correct. In India just about every farm is less than 2 hectares in size, and collectively they all do food production and create food security. We just have to be mindful that we do not say this type of farm is better than that type of farm or that this one creates more food security than that one. We have to be particularly careful. We as an organisation are very agnostic in regard to production systems. Everybody who is producing food is a part of a supply chain, and some of those really small businesses are supplying a particular demographic in our society that would say that it is very, very valuable for them to have those small farms. Sorry, I am going to just tell you; we do not know the answer to everything other than that it is all really important.

The CHAIR: On that – sorry, Jordan, I will just jump in here because I think it is a good segue to it – we have talked about Victoria's population growing significantly over the next two decades. What opportunities does that offer your members – farmers across Victoria – this explosion in population? What does it mean for you?

Emma GERMANO: It means that there are going to be more opportunities to supply our food locally rather than having to always think about profitability on our farms as having to have that export market available to us. It means that there are going to be more challenges in regard to land use conflict.

Australia is one of the most urbanised countries around the world. In fact I think it might be the most urbanised. The majority of our people live in our capital cities, and I think Victoria's population is said to increase to 10 million by 2050. That means that we are going to have more mouths to feed, so this notion of the degradation of the amount of land available for food supply is compounded by the fact that we have got this population growth. We have got two factors at the same time that are contributing to, I guess, the need for this strategic plan to understand where we are going to house all of those people and how we are going to feed them.

I think it is so important that we think about this in the context of what the difference is between the responsibility of the state and the responsibility of federal government. Mapping that and understanding that for the Victorian government is really important, because the food security here and the decisions that we are making – we will bring it back to the planning provisions and the whole planning scheme – have a massive impact on the rest of the country, and yet, again, there is no overarching understanding as to how that is going. Whether it is through MinCo or national cabinet, that conversation needs to be driven, and Victoria is in a really great position to drive that conversation given that we are really leaders in regard to agriculture compared to the

other states of Australia. We must understand what the responsibility of federal government, state government and local government is in regard to food security and food supply.

Charles EVERIST: There is this misconception that there is tons of land in Australia and it is available to farming. It is not, particularly when you burrow into the different types of crops and different types of produce that is produced. Potatoes are a great example, because the red ferrosol soils that we have in places like where Emma's from and in the Macedon Ranges and over near Ballarat –

The CHAIR: Beautiful Bungareeans, yes.

Charles EVERIST: Yes, you would know it well. We have only got some very small patches of dirt in this state where we can grow that particular crop. So this idea I think when people travel through the countryside and they say there are open spaces, it needs to be understood that Victoria only actually makes up 3 per cent of the national land mass, which is quite an odd figure, but when you put it in those terms, we are amazing in terms of the production that we get: 30 per cent of the nation's agricultural production out of just 3 per cent of the land.

Emma GERMANO: Well, 1.5.

Charles EVERIST: Yes, sorry, 1.5 because 50 per cent of Victoria's land mass is being farmed. So from just 1.5 per cent of the nation's land mass, we are producing all of that. It really emphasises how important it is to be having these conversations about how we actually plan and protect this land, because they are not making it any more. I do not think we are going to be able to start reclaiming land in the ocean and building new islands to do some farming.

The CHAIR: Dubai-style.

Jordan CRUGNALE: Can I ask: with the overarching, holistic, mosaic strategy of all things Victoria –

Emma GERMANO: I said lots of things there, didn't I?

Jordan CRUGNALE: No, that is all right – do you look at it holistically and then into districts? Because you would have all that information of who is farming what across the state and then climate change and what would be suitable in those districts, and then the role also of bringing in the community farms, the agrihoods – we have got sky farms in Melbourne – that other aspect of produce.

Emma GERMANO: I think food producers and farmers kind of do that organically. I know in my area, which is probably quite undervalued as a dollar amount per acre – because of the nature of who has been farming there for a long period of time, there have not been a lot of outside entrants, and when I say outside, I mean people who have not lived in the district and farmed in the district, but that is starting to change – we are starting to see apple orchards coming into our area that were not there before, and that is because those producers are saying, 'Well, we want to diversify our production: we'll have a northern part in the state, we'll have a southern part in the state.' So it does happen organically, as in the farmers are doing it for themselves, but it is not matched with what the government is doing. Irrigation as well: water security and particularly when we see decisions that are being made around the Murray–Darling Basin – the impacts of that in northern Victoria have been immense, historically, and we are about to see another round, potentially, of water buybacks. We know that that impacts who is farming there and then what the value or the potential for that area is from an agricultural perspective over time. Whilst we are growing potatoes and livestock on my farm right now, that might be perfect land for more broadacre-style cropping in the future if we see climate change having an impact on the kind of rainfall that we get and that sort of thing.

So broadly speaking, yes, people are kind of aware of it and thinking about it, but only in the context of probably their own farming future, not on behalf of everybody. I say that we at the VFF use the notion of food security a lot. We say food security is really important and we come back to that when we do advocacy on just about every policy issue. But in fact the people who should care about food security the least are the farmers, because I know that if we end up with a food security issue, I know where my food comes from – I have got lamb and potatoes and any of the weeds that grow on the farm.

Jordan CRUGNALE: It is all you need.

Emma GERMANO: That is all I need. So farmers will make that decision for themselves, their family and their business, but they are not necessarily thinking about it in regard to how that impacts on everybody else in the state. That is why it is really important to have those kinds of parameters and those objectives in mind. If you want to achieve anything, you need a strategic plan. It is no different to running my own farming business or running the VFF. If you have a strategic plan, what look like difficult decisions when you get into the detail and are looking at every one and how you make a decision, all of that becomes so much easier when you know the overarching objective that you are trying to create. All of those little decisions are just easy because they fall into that broader objective. That is simply what we are missing. Any business to run needs a strategic plan, and that is what we need.

The CHAIR: I am going to ask for one last question because the 45 minutes has just flown, and I think we could probably talk to you guys all day. Would anyone like to ask a final question?

Martha HAYLETT: Can I ask one more?

The CHAIR: Sure thing.

Martha HAYLETT: Or do you want to, David?

David HODGETT: No, no, you are all right, Martha.

Martha HAYLETT: Juliana was saying earlier about the growth in this state and all these extra pressures that are going to then be on the ag sector. For young farmers and the next generation of farmers, how do you think the Victorian government needs to better support young farmers to deal with all of these pressures and to deal with all of this that is coming up for their future?

Emma GERMANO: I am being really crude about it, right, and I just think about it as a somewhat young farmer. If you do not have the opportunity created for you by your family, it is too expensive to get into some of that land now. And as we have that competing land use, like I just said to you about the value of land in Werribee, it increases the prices. We are seeing that the migration of dairy just about out of north-eastern Victoria has impacted the value of farms in Gippsland. It is so difficult to get in as a young farmer. We have spoken about interest-free loans and grants to get started. We never seem to keep up with the reality of the value of things, so a \$30,000 grant goes nowhere in regard to getting into your first farm. There are lots of opportunities in regard to programs that can be created. There are farmers who do not have another generation coming onto their land who could be matched with those that want to have that opportunity and maybe facilitate that sort of thing.

Again, I think young farmers want to understand what the future is going to bring. On my farm I have literally been having the conversation with my family about whether or not it would just be far easier in my life to sell that farm. Between me and my parents we would walk out with a couple of million dollars each. I can just get a job where I do not have to worry about what is going on and a mortgage and my staff. Farms are particularly difficult to run already, and then we have got this overlaying of really complicated bureaucracy now to do farming. Whether it is your QA programs, you know, or your planning things that you have to manage, there are so many things that make it complicated. We have to ensure that it is still an industry that people want to be part of, and like I was saying, if we say, 'For 50 years this is what this is going to look like,' that creates certainty for people to invest in. Farmers thrive on certainty because everything that we do is – well, in most cases – reliant upon whether or not it is going to rain tomorrow. That level of uncertainty makes farming businesses difficult – very rewarding but difficult – so as much certainty that the government can give to producers and to the sector as a whole, I think, is what we need to ensure that we have got young farmers coming through.

And here is the cold, hard reality: if you can make money on a farm, it becomes very attractive to step onto the farm. If you have watched your parents struggle and struggle through lots of decisions and struggle through the pressure that is put on from factors that are outside of the farming business, there are a lot of times where you say 'This is too hard, and in fact perhaps maybe I'll just go and work for another farmer' and 'I can't afford the land.' So we have got to make sure that we are thinking about the future viability in regard to it being profitable and sustainable and that there is a security in investing your time, energy, money and resources into a farming business.

The CHAIR: Emma, thank you for your passion for agriculture and farming in Victoria. The farmers federation is very lucky to have you as their President and spokesperson.

Emma GERMANO: Thank you.

The CHAIR: Thank you, Charles, as well for doing all the work.

Emma GERMANO: Yes – so I can be passionate. You do the work, and I will be passionate.

The CHAIR: I am so sorry; I did not mean that.

Emma GERMANO: No, no, you were right whether you meant it or not.

The CHAIR: I just want to say that with our discussions there could be some more questions that we would like to have answered, because your voice is so important as we move forward with this inquiry. I genuinely want to say thank you. We will be heading down to Morwell in two weeks, so how far down into Gippsland are you with this farm shop?

Emma GERMANO: I am about 17 minutes away from Morwell. I will send you a map so you can take the scenic route and get some potatoes on the way.

The CHAIR: Great, we can do a little bit of a farm shop. That is all done.

Emma GERMANO: That would be excellent.

David HODGETT: Put your local member on it.

Martin CAMERON: That is Farnham; it is not me.

The CHAIR: It is Wayne Farnham, great. Thank you very much.

Emma GERMANO: Thank you.

The CHAIR: We will pause proceedings at that point.

Witnesses withdrew.