

Mr S Coley
Executive Officer
Outer Suburban Interface Services & Development Committee
Parliament of Victoria
Parliament House, Spring Street,
EAST MEBOURNE VIC 3002

9 December 2008.

Dear Sir,

Re: Inquiry into Agribusiness in Outer Suburban Melbourne

I write in response to your request for submissions to the abovementioned inquiry. On behalf of the national apple and pear industry I would make the following points;

- The state organisation representing apple and pear growers, Fruit Growers Victoria, will be making a detailed submission which will include information about the extent of the impact of suburban encroachment on the fruit growing industry.
- Horticulture Australia Limited has recently published a report entitled "Peri-urban horticulture and land use planning: Literature Review and Tool-kit". This report gives a clear exposition of the issues of suburban encroachment and the impact it has on horticulture businesses on the urban fringe. It also canvasses issues such as land use planning, zoning, buffers, land use conflict, minimum lot sizes and right to farm legislation. I highly recommend this report to the Committee.
- Quality land suitable for intensive horticultural activity is a finite resource and urban expansion continually removes more of this important economic asset. Consideration of the availability of suitable land for farming needs to be a major input when planning for the relocation of farming enterprises. Government may find that the economic benefit of protecting quality farmland needs to be a major input in the decision-making process.
- Urban encroachment into farming land appears to be an inevitable occurrence and the issue to be addressed is how it should be managed. Farmers who start to experience the restrictions of urban encroachment find that it impacts their business in negative ways, however, by the time they are no longer able to operate due to the restrictions imposed to protect those living in the region, the value of the farm land is such that a sale usually provides a monetary windfall – at least enough to commence business elsewhere.
- Farmers impacted by urban encroachment are (or should) not be surprised by it. Most have seen it coming for some time and, by the time selling and moving is a necessity, they have already planned their relocation or exit from the industry.

- Intensive horticulture activities are a major economic benefit to the state as well as a major health benefit to the city and state's population in providing fresh, quality produce. An intensive horticulture industry is a significant asset and, as such, government should seek ways to ensure that those engaged in the industry are encouraged to continue.
- Good planning by government would be of major assistance to horticulture producers who need to relocate away from urban encroachment. The identification or creation of an area or region that provides the necessary inputs (soil, water etc), infrastructure and government services is a first step. Protecting that area with appropriate planning regulations and, possibly, 'right to farm' legislation is a necessary assurance for the long-term future for horticulture producers. When a horticulture industry is established in a new region, the commercial services that it requires will follow.

Although very general in nature, I hope that the above points are useful to the Committee. Should you wish to discuss this further, please be in touch.

Yours sincerely,

Alma J Reynolds
Deputy General Manager