

Planning for Sustainable Animal Industries

Submission by Melbourne Farmers Markets

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13 November 2017

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Context

Melbourne Farmers' Markets (MFM) is a not for profit social enterprise and a leading industry operator of Victorian Farmers' Markets Association-accredited farmers' markets in Victoria. It operates 7 markets throughout the year. Only accredited, genuine free range, pastured livestock farmers are eligible to attend these accredited markets and have access to the urban consumers who attend them.

A study conducted by MFM found that in 2016 the organisation:

- Ran 173 markets across the year with over 6100 stall sites operated;
- Serviced 150,000+ urban patrons;
- Who spent over \$5 million at MFM markets;
- Which delivered over 300 employment opportunities due to the markets operation.
- Over \$110,000 was raised for partnering Primary Schools and other not-for-profit organisations – Collingwood Children's Farm, Abbotsford Convent and Gasworks Arts Park.

If the monthly markets currently operated by MFM increased to weekly trading, shopper spending would grow from \$5 million per annum to close to \$20 million, with a concomitant rise in employment and business creation opportunities due to MFM markets alone. As MFM-managed farmers' markets currently represent approximately 23% of accredited markets running in Victoria and the vast majority of the remaining markets operate once a month, there is huge **growth potential across the whole sector** should more markets increase to weekly trading. More than 47% of shoppers at farmers' markets planned to visit shops in the nearby area after the market, with obvious benefits therefore flowing through to other businesses in the neighbourhoods hosting a farmers' market.

However, all of this – and the considerable multiplier impact that always accompanies farmers' markets - would be put at risk if the 33 small-to-medium scale pasture and grazing based livestock producers trading with MFM were put out of business through an unjustified increase of regulatory burdens.

Areas of concern in proposed reforms

The following details the key areas of concern for MFM with the current proposals.

1. Increased regulatory burden

Ninety-one percent (91%) of those affected farmers surveyed by MFM believed the proposed regulations would not reduce the amount of red tape their business faces, due both to permit requirements regardless of farming system (grazing or intensive) and setbacks in the Farming Zone. **The proposed regulations as they stand will increase the regulatory burden imposed on small scale producers**, and see the majority of producers in MFM's network adversely impacted and their business development opportunities impeded.

I have well over 450 hens, so I will need to go through the arduous task of applying for a permit, costing anywhere from \$1500 - \$50,000 as some estimates have indicated. It will also cost time in possibly hiring consultants and issuing public notice and attending council meetings to present our proposed farm projects.

– Pastured Poultry Farmer, Central Victoria.

This increased pressure will also be passed onto to the planning departments of local councils who are already under resourced, and considerably increase the expectation on them to effectively police farmers for farming in the Farming Zone.

The Farming Zone is the only planning zone dedicated exclusively to agricultural production, and its stated purpose is:

- To provide for the use of land for agriculture.
- To encourage the retention of productive agricultural land.
- To ensure that non-agricultural uses, including dwellings, do not adversely affect the use of land for agriculture.

Prioritising dwellings on separate ownership to a farm in the farming zone and prohibiting grazing livestock production within 100m of those dwellings is in opposition to the stated purpose of the Farming Zone.

The recommendation made in ‘Section 7.2.1 Who should own the separation distance? (Animal Industries Advisory Committee [AIAC] Report 29 April 2016)’¹ states that, “the committee does not support [the] approach [where buffer distance should be contained entirely on the land associated with the [farming use]²”.

Rotational grazing systems for all grazing livestock use mobile infrastructure to move livestock across the farmed land including to the boundary of the farm with a neighbouring property. Mobile infrastructure equipment (feeders, shelter, water provision and agricultural product gathering facilities) can be stationed in the proximity of the neighbouring boundary when the animals are grazed in that area.

Rotational grazing systems are being increasingly utilised in poultry and pig farming operations due to the higher quality of product achieved through the short-term, low impact grazing method involved.

100m setbacks from off farm dwellings mean I will have to factor this 'dead space' into future farm purchases as I only rent at the moment. This extra space will increase the price I will have to pay for land that I won't be able to use.

– Pastured Poultry Producer, Central Victoria.

¹ Animal Industries Advisory Committee | Report | 29 April 2016, Vic State Govt, Planning Panels Victoria

² Animal Industries Advisory Committee | Report | 29 April 2016, p. 62 (7.2.1) para 2.

2. Uneven playing field for small vs industrial producers

Excluding pastured poultry and pig farmers in the grazing animal category, and requiring pastured producers on a commercial scale to obtain permits for their operations in the Farming Zone creates inequity between how different pastured grazing animals are treated by the proposed regulations. The reforms in this instance are not meeting the objective of delivering a “graduated approach to planning controls based on risk.” For example:

- A poultry farm with 3,500 birds pastured on 25 hectares (140 birds/ha) would be categorised at the same risk level as a poultry operation with 10,000 birds in sheds on 1 hectare (10,000 birds/ha), despite the latter having a significantly greater effect upon neighbouring properties.

The scales at which the permit exemptions and streamlined application processes apply are currently **too small** to be applicable to farmers’ market producers. A concern of MFM’s is that small scale, yet commercially oriented pastured pig and poultry farmers will be assessed as if they were running the same as large-scale intensive or export-focused producers, when in fact they are entirely different systems based on their farming practices (grazing vs intensive).

As recommended in the Animal Industries Advisory Committee report of 2016, “the planning system needs to manage the lower risk [small scale] operations pose in a manner commensurate with that risk,” which is not the current interpretation of the proposed regulations. A producer in MFM’s network has highlighted this:

It seems a major oversight in grouping pig farms like ours basically the same as intensive pig farms. Pastured Pigs needs to be included in the grazing section, like cattle or sheep, which according to their proposed regulation we would not need a permit. There also appears to be absolutely no growth models or formula for a pasture raise, slow growth, heritage pig production. All their data points towards intensive pig farming & fast growth requirements, including waste disposal, when in fact our waste is part of our regenerative farming practices. – Pastured pig and cattle farmer, Central Victoria.

3. Impact on rural and regional development

The long term economic development of many rural and regional areas will be threatened by the increased burden on a community wide scale if numerous small farm businesses cease employing locally and spending locally. Considering the ageing farming population, climate adaptation costs and general rural decline, **the proposed regulations will stifle, not liberate, small farming communities.** Young farmers looking to enter the agriculture sector will be further restricted in the land available to buy or rent when having to consider 100 or 200m setbacks as ‘dead’ land they are restricted in using.

By design, the pig and poultry farms attending these markets have a **higher job density than intensive farming operations:** it takes more work-hours to feed, water, regularly move across the landscape pastured livestock than it does those housed in mechanically automated sheds, which results in more employment opportunities in regional areas. For example:

When we started doing markets about 12 years ago we employed one person on the farm, my father-in-law and myself. We now employ 7 people on the farm and more people in the factory in Melbourne. We've gone from our first year of operation of \$99,000 turnover to last year where we turned over \$2 million.

- Free Range Poultry Farmer, North East Victoria.

4. Consumer sentiments: rural and urban

Local shoppers at regional markets choose to spend their dollars locally to support their local community. A snapshot of responses from shoppers in rural and regional Victoria in an MFM survey (conducted to seek consumer feedback for this submission) provided the following insights as to why they choose to buy from pasture-based pig and poultry farms:

- *It tastes nicer, I am supporting local businesses and therefore my local community.*
- *Supporting smaller farms and farmers and their families and the meat is tastier and the animals have a better life*
- *1) Taste. 2) Support healthy rural economies. 3) Environment.*
- *I like to know where my meat comes from. I like to support small, local producers. It is important to me that the animals are not intensively / factory farmed*
- *Supporting small free range local farmers. I'd rather put food in their family's bellies than the supermarkets. We need to keep them around. Don't change what ain't broke!*

Similar responses we received from shoppers in Metropolitan Melbourne when asked their views on buying local pasture raised pig and poultry products:

- *I prefer to give my money to these small producers who struggle in a corporatised food system that is rigged against them in so many ways. I particularly don't support large-scale modes of agriculture that see the bodies of animals as machines that churn out commodities or units of protein production. These large-scale operations are unethical, polluting and unconvivial. Nobody wants to have them as neighbours because of the stench of manure... Supporting small-scale, pastured-raised agriculture is one way to ensure that there is an alternative to a system of production that is fundamentally unsustainable. It gives people livelihoods and gives their animals a better life.*
- *I highly value the better nutrition pasture raised meat provides, particularly for my children.*
- *I do not wish to buy food that is filled with chemicals, intentionally or otherwise...the quality of the produce is significantly higher at markets. I also believe it is important to support individual farmers/businesses and be aware of who my money is going to. By being a repeat customer, I have developed relationships with producers at farmers markets, something that would never happen purchasing at a supermarket. Finally, less carbon miles and reduced packaging reinforces my desire to buy locally.*
- *Buying from FMs is a more trusting experience. It is a way to support small farming families.*

The average annual spend on pasture-raised pig and poultry products by a metropolitan Melbourne respondent was \$1,700; for a rural or regional respondent it was \$980. This indicates that metropolitan Melbourne consumers of pasture-based animal products are significant contributors to the economic lives of these farms and choose to support them for reasons other than 'supporting their local community'. The length of some responses above highlight that **urban consumers are engaged and passionate about this issue** and will voluntarily contribute their own time and energy to support the businesses and farming systems they believe in.

The inner metropolitan areas where MFM's farmers' markets operate may not be directly impacted by the proposed planning changes, in the sense that there are no existing livestock operations within them, however the **unintended flow-on impacts of these proposed reforms could be very significant**. The viability of small-to-medium scale producers providing high-quality produce for niche markets, such as farmers' markets and paddock-to-plate local food restaurants and cafes would be severely tested by these reforms. Metropolitan consumers who choose to 'vote with their dollar' will be aware of the impacts these reforms will have on the farming systems they support.

The full impacts of these reforms have not yet been quantified and MFM urge more research to be conducted on the flow on effects before any changes are implemented.

5. Potential impact to Melbourne Farmers' Markets

Approximately 7.5% of MFM's active stallholders are pastured, free range, pig and poultry farmers, and conservative estimates indicate that they contribute approximately 7% of MFM's annual income (\$24,000). As the primary income stream of MFM is stall fees, losing this this would have a considerable impact on our business, and the 33 businesses actively trading at our markets.

As planners are not agricultural professionals and the small scale producers we work with are entrepreneurial, innovative and dynamic, we are deeply concerned that non-agricultural professionals with no knowledge or understanding of these dynamic production systems will be making decisions that affect entire businesses and communities.

MFM has championed small-scale agriculture for 15 years, including working as far back as 2004 with Labor Minister for Agriculture, Bob Cameron to enable an exemption to changes in the Victorian Food Act for meat producers to trade at farmers' markets.

So much impact to build the recognition and support for small-scale meat producers has developed since then; bringing quality of the product as well as animal welfare, husbandry, ethics and diversity into the mainstream and with it, increasing standards across the industry for public accountability.

Recommendations

To address the above concerns, MFM recommends the following changes to the proposed reforms:

Recommendation 1:

Simplify the categories of animal production systems to 'Grazing Animal Production' and 'Intensive Animal Production'. Remove the categories of 'Pig Farm' and 'Poultry Farm' and instead categorise those producers by their farming methods.

If the farming systems are low impact, pasture based, rotational and have stocking densities and nutrient loadings below suitable thresholds, they should be considered grazing animals, regardless of the species. This is a more targeted approach, creates a level playing field across all animal production systems, and avoids the risk of publicly discriminating against pastured pig and poultry producers.

Recommendation 2:

For new housing developments in the Farming Zone, buffer distances from farming operations should be maintained on any property where new dwellings are proposed to be built to ensure that dwellings (or other sensitive uses) are built **away** from farming operations.

In accordance with the stated purpose of the Farming Zone as listed in the State Planning Policy Framework and the recommendations of the AIAC Report:

- New housing permits should not be granted to houses proposed to be built within 100m of a neighbouring farming property unless a Section 173 agreement is applied to the land title and planning approval stating that the owner of the planned development waives the right to complain regarding farming practice carried out on neighbouring properties.
- In the Farming Zone, any existing housing that lies within 100m of a neighbouring farming property will not be covered under the proposed planning changes.

Recommendation 3:

Base permit trigger points on livestock stocking densities or nutrient management loads, rather than numbers of livestock. Utilising livestock density is more reflective of farming methods and potential impact on landscape and amenity than stock numbers. In a pastured poultry or pig system the density of animals across the whole farm is what influences its risk level and amenity as they (and their feed, water and shelter) are regularly moved across the whole property.

Along a similar path, a Standard for Nutrient Management across different animal production categories would compare the load, volume and concentration of nutrients from animal waste on a total equivalent nutrient density, rather than per animal. This allows permit trigger points for stocking densities of different species to be created, and thus their equivalent risk to be compared. For example, the waste produced by 50 cows is the equivalent in volume to 500 pigs, or 2000-3000 chickens, however a farm would be considered very differently under the current proposals depending on which species was to be farmed.

Recommendation 4:

Complete a Regulatory Impact Statement of the proposed reforms urgently, and allow more time to consult with the wider community regarding these proposals. The likely impact of the proposed reforms on all stakeholders, including community, councils, developers, farming businesses, affiliate organisations like MFM and individuals need to be ascertained before any reforms are finalized. This should include scope to research the economic impact of pasture based, small scale producers to regional and rural economies and the potential outcomes if these producers are forced out of business due to unworkable planning changes.

Conclusion

The Victorian Departments of Economic Development recently commissioned a survey of the economic impact of farmers' markets. While no results have been publicly released, MFM believes the impact of the small scale producers on social and economic life in regional Victoria is significant and the potential for future growth is considerable. The interest the State Government has shown in furthering this industry and the producers who comprise it has been welcomed by Melbourne Farmers' Markets and we hope to see more investment and positive steps towards supporting the regenerative, small scale producers in this sector, not increased regulatory burdens on them.

State Government initiatives such as *Food Source Victoria*, *Agriculture Innovation Grants*, *Regional Development Victoria Farmers Market Program*, *Put Victoria on Your Table* and the *Agribusiness network* have enabled many small-scale producers and collaborations to flourish. It's not just producers' livelihood but chefs, butchers, farmers' markets, the media and indeed, the general public, who have benefited for the inclusion of small scale, pasture based livestock farmers in our agricultural sector. Further flow on effects to all these sectors need to be ascertained before such major changes to the planning scheme are introduced.

We are encouraged that Minister Wynne and Minister Pulford are welcoming more conversation, and to meet with our sector of the local food system. The regional Victorian communities who supply our food deserve our support and gratitude. There is much to celebrate about a local, resilient food system and Melbourne Farmers' Markets is dedicated to a robust and transparent information exchange, providing a positive outlook and the means for Victorian food producers to flourish.