

Addendum to Shepparton East Agricultural Land Use Options Report

Greater Shepparton City Council
November 2020

Introduction

OVERVIEW

In response to concerns raised by the Greater Shepparton City Council regarding the Shepparton and Mooroopna 2050: Regional City Growth Plan, an addendum to the Shepparton East Agricultural Land Use Options Final Report has been developed. The addendum contains further details on the:

- Consultation undertaken during the Study
- Alignment with the Goulburn Broken Resilience Strategy
- Regional characteristics of East Shepparton relating to agriculture.

Consultation Report

ENGAGEMENT PURPOSE

Identification and analysis of the land use options for Shepparton East involved a range of engagement activities with stakeholders who have an involvement in this area. This engagement was used to advise on:

- The viability of agriculture in Shepparton East
- Possible alternative farm management practices that may be better suited for the area
- Appropriate planning responses to the existing land use conflict.

Consultation occurred during February 2020.

APPROACH

The engagement of stakeholders for this project was primarily targeted and direct, and aimed to **inform**, **consult** and **involve**.

Levels of engagement:

- **Inform** – To provide information to assist stakeholders to better understand the issue, and/or identify alternatives, opportunities and/or solutions to the issue.
- **Consult** – To obtain feedback from key stakeholders on the issue, alternatives and/or outcomes.
- **Involve** – To engage directly with key stakeholders throughout the project to ensure that major concerns and needs are understood and considered.

Key stakeholders included landholders in the area, and organisations who have responsibility and involvement in the area such as the:

- Goulburn Broken Catchment Management Authority
- Goulburn-Murray Water and the Connections program
- Environment Protection Authority and the Officer for Protection of Local Environment within Council
- Department of Environment, Land, Water, and Planning.

RMCG also consulted businesses who rely on commodities produced in Shepparton East (i.e. SPC Ardmona).

Landholders were alerted to the consultation process by a letter from Council providing them with a brief explanation of the purpose of the project. This letter was sent out to people who had provided a submission to the Shepparton Mooroopna 2050 Consultation Process.

FORUM

RMCG sent an email to 19 people who had provided a submission (plus other interested stakeholders) inviting them to attend a forum held at Council offices on the 17th February 2020. The text in the email is provided below.

Dear X,

As advised by Greater Shepparton City Council, we have been engaged to conduct an agricultural land options study for Shepparton East. I have attached the letter Council has previously sent which provides further details on the objectives of the study.

I am inviting submitters to the Draft 2050 Growth Plan and other interested land holders in the area to meet with me at Council offices on Monday 17 February from 4 - 5pm. This is an opportunity to hear about our findings to date and also for you to express your views on the future of agriculture in Shepparton East including current challenges and opportunities.

Please note that the study is focussed on assessing the viability of agriculture in Shepparton East and identifying options for managing land use conflict. As an independent consultant, I cannot speak on behalf of Council or the Victorian Planning Authority on any future planning decisions related to this area.

Please let me know via return email or on (03) 9882 2670 by the 14 February if you can attend the meeting.

Kind regards,

Jacinta Belz (on behalf of Kristen Stirling)

The forum provided attendees with an opportunity to identify:

- The constraints and challenges to farming in Shepparton East and the impact this has had on their business
- Areas experiencing land use conflict
- How they manage land use conflict and what would assist them to manage land use conflict
- What they perceive as the future of agriculture in Shepparton East
- Their long-term plans for their business.

Nineteen people attended the forum.

SURVEY

A survey was also developed using Survey Monkey and sent to those who attended the forum to provide them with an opportunity to submit additional information if they felt they had not had sufficient time during the forum. There were 4 responses to the survey. Questions within the survey included:

1. Please provide your name (this is optional)
2. Where is your property located (this is optional)
3. What is the size of your farm (ha)?
4. Do you lease land, and if so, how much do you lease?
5. What do you produce?
6. What are the challenges/constraints to farming in Shepparton East and what impact has this had on your business?
7. How do you manage these challenges?
8. What would help reduce land use conflict in Shepparton East?
9. What are the opportunities for agriculture in Shepparton East? Respondent skipped this question
10. What are your long-term plans for your business Respondent skipped this question (10+ years)?

Responses to the survey were used to inform the recommendations provided in the Shepparton East Agricultural Land Use Options Report.

PHONE CALLS

Prior to, and subsequent to the forum, RMCG consulted with six landholders over the phone to discuss their concerns and issues in detail.

EMAIL

Prior to, and subsequent to the forum, RMCG consulted with five landholders via email to discuss their concerns and issues in detail.

CONSULTATION OUTCOMES

During consultation a number of concerns regarding the viability of agriculture in this area were raised. These included:

- Land use conflict
- Water availability and security
- Size of properties
- The future direction of Shepparton East.

These concerns, and the response provided to these concerns in the Land Use Options report, are discussed in further detail below.

LAND USE CONFLICT

Land use conflict arises when activities conducted on land in close proximity negatively impacts on other land uses. In Shepparton East landholders raised concerns regarding:

CONCERN	EXPLANATION	RESPONSE
Damage to fruit by birds	Landholders identified that managing damage to fruit caused by birds was hampered due to: <ul style="list-style-type: none">▪ Complaints from residents regarding the noise made by scare guns/shotguns▪ Increased numbers of gum trees planted within residential areas which attract more birds to the area.	Complaints are received by Council from time to time with noise from scare guns and gas guns the primary cause of complaints from Shepparton East. There have been no ongoing disputes regarding the use of scare guns and gas guns. EPA guidelines provide clear standards and thresholds for operation of farm machinery, frost fans and scare guns, and it would appear that farmers are operating within the guidelines. Ongoing education of residential neighbours regarding the importance to farm productivity and profitability of mitigating the effects of frost and birds by using scare guns and frost fans is important (see page 20 of report). There are a number of options for reducing bird damage (aside from the use of scare guns). These include the use of netting, roosting deterrents and chemical deterrents (see page 46 of report).
Pest and disease pressure	Poor pest and disease management within residential areas has the potential to increase pest and disease pressure for commercial agriculture. In particular Queensland Fruit Fly (QFF) was identified by landholders as a concern.	With the application of group pest control and eradication programs the risk of pest and disease pressure can be reduced to a 'medium' threat (see Land Use Conflict Risk Assessment in Appendix 1 of report).
Increased traffic on roads	Increasing traffic on roads within the Shepparton East area	Improved road design and signage could encourage commuter traffic on to the Midland Highway and New Dookie Road and to minimise traffic within the study area. Parking options for farm

	due to residents and industry has restricted access to properties by harvest/picking crews and hampered movement of vehicles.	workers accessing properties along Doyles Road need to be explored (see page 47 of report).
Dust from roadworks	Dust from roadworks and the development of industrial areas (particularly along Doyles Road) has reduced the quality of fodder (lucerne) crops which have become unpalatable to livestock (horses).	The transfer of dust from roadworks and development of industrial properties will be a temporary issue. Council could request that Regional Roads Victoria (RRV) consider options for minimising transfer of dust to properties neighbouring Doyles Road during works to widen the road (see page 52 of report).
Theft	Landholders indicated that theft was an issue due to the close proximity of town.	A land use conflict risk assessment identified theft as a 'medium' risk. The probability of theft occurring was rated as 'possible' and the consequence 'minor'. The recommended risk reduction measure is to undertake community engagement and consultation activities to confirm access and prevent trespass (see Land Use Conflict Risk Assessment in Appendix 1 of report).

WATER AVAILABILITY AND SECURITY

Landholders expressed concerns about the current and future availability and security of water for Shepparton East.

Response

Producers within Shepparton East have the ability to secure water on the open market if required due to the high value of commodities they produce (largely perennial horticulture crops such as apples and pears). This provides them with an advantage over producers of lower value commodities such as dairy or broadacre crops. The ability to achieve a higher income per mega litre of water used enables producers of high value crops to effectively outcompete other irrigators on the water market (see page 31 and 32 of report).

The irrigation network servicing Shepparton East has been largely modernised. Modernisation facilitates farm amalgamation, adaptation to climate change, and adoption new technology and practices (see page 32 of report). There is currently a proposal to modernise the remaining original channels (Channel 10 and 11). The proposed works within Shepparton East is part of the larger Water Efficiency Program funded by the Commonwealth Government. The proposal submitted by Goulburn Murray Water has been reviewed by the State Government (including public consultation) to assess the compliance of the project with the agreed socio-economic criteria for Water Efficiency projects. The State have submitted the project to the Commonwealth for funding consideration. Further information is available on the website - <https://engage.vic.gov.au/gmw-water-efficiency-project>

FARM SIZE

There were concerns expressed that the relatively small size of farms in Shepparton East reduces the financial viability of commercial agriculture due to the economies of scale required.

Response

The size of farms in Shepparton East is considered to be the most significant factor impacting farm viability. Most farm businesses in Shepparton East are considered to be at the smaller end of the spectrum of farm business size. Operating and maintaining a viable farm business at this scale requires a high degree of management expertise as there is less capacity for small business to absorb risk, compared to larger farm businesses. It will be critical that businesses in Shepparton East are able to increase scale, by increasing the size of the farm, switching to higher value horticultural commodities or more intensive production systems such as protected horticulture (see page 41 of report).

FUTURE DIRECTION OF SHEPPARTON EAST

A number of landholders expressed frustration around the apparent lack of direction provided by Council and other planning authorities as to the future of Shepparton East.

Response

The current policy direction for Shepparton East and Shepparton South East is for the land to be retained for agriculture, and the Zone schedules and local policy provide clear direction to support this outcome. The overarching strategic direction is also for the land to be retained for agriculture. However, Shepparton East is identified in two studies and the MSS as an investigation area for either residential or industrial development. This ambiguity in the direction for Shepparton East is creating uncertainty regarding the future land use of the area. As a result, most farms have not increased scale in recent years, and this would be impacting the viability of some businesses. If the vision is for agriculture to remain the primary land use in Shepparton for the long term, then the planning scheme must be unambiguous in this regard (see page 41 of report).

OPPORTUNITIES

Some primary producers in the area, although mindful of the concerns raised, also felt that farming in Shepparton East is still quite buoyant despite the current climatic conditions. They also felt that certain qualifications such as guaranteed infrastructure, and security of water and farming land, were required for opportunities to be realised in the future.

“My family’s long-term plans are to stay within the fruit growing industry. We have sacrificed a lot to be where we are today as an agribusiness in the fresh fruit industry. We cannot continue to invest in our future without clear direction of where Shepparton is heading as a whole in the next 25 years. Our plans are not to just buy or lease mediocre orchard assets but to redevelop all of our farms into highly productive units using high density plantings and further infrastructure around crop protection. If Shepparton East is to continue to be the backbone of the Shepparton Farming economy it needs clear direction and help from COGS¹”.

ANALYSIS AND REPORTING

Data gathered during stakeholder consultation was used to inform the report findings and were instrumental in the development of recommendations to:

- Facilitate farm amalgamation
- Support horticultural businesses to adapt to changing conditions and adopt new technology
- Discourage uses that are incompatible with an agricultural area and may introduce land use conflict

¹ Written response to landholder survey.

- Better manage land use conflicts.

The recommendations are provided on page 51 and 52 of the report.

Goulburn Murray Resilience Strategy

The Goulburn Murray Resilience Strategy 2020 (Resilience Strategy) is a response to the macro drivers of change impacting on the Goulburn Murray (GM) region. It lays out 8 resilience principles to assist the GM region to better deal with change and details a series of proposed interventions that address each principle.

The Resilience Strategy identifies that, in line with national trends, there are fewer and larger farms in the GM region, and that these farms have increasing production efficiency. Increase in farm scale is driven by declining terms of trade for agriculture (i.e. price of agricultural inputs rise while at the same time, prices received for agricultural products reduce). In addition to increasing farm scale, i.e. buying more land, farm businesses also invest in new technology, more efficient farm practices and productive crop varieties to maximise the productive potential of land and increase resilience. As discussed in the Shepparton East Agricultural Land Use Options Report, increasing farm scale by increasing the size of the farm, switching to higher value horticultural commodities or more intensive production systems will be vital for businesses in Shepparton East to remain profitable and manage risk.

The ability to increase farm scale is threatened by increasing levels of rural residential properties, particularly around larger towns such as Shepparton, which contribute to fragmentation of agricultural land parcels. Increasing fragmentation of land, and the introduction of alternative land uses within farming zones, decreases the ability of agricultural businesses to increase farm scale to build greater capacity and meet future challenges.

One of the five intervention streams identified in the Resilience Strategy focuses on the *futures of agriculture* in the GM region. The goal is to build the ability of the agriculture sector to address change and challenges and thereby increase resilience by focusing on attracting investment, embracing technology, diversifying crop types and improving supporting infrastructure. Two of the initiatives in the intervention stream (A1 and A3) speak to the importance of ensuring that suitable land is protected for future investment in agriculture, thus building capacity and resilience to address future challenges.

A1 Agricultural Redevelopment Coordination

The Agricultural Redevelopment Coordination (ARC) Project will provide a one-stop shop for agricultural investment. Provision of data, guidance on approval processes, case management of development proposals, and inter agency liaison, would be key services provided.

Investment is often hampered by lack of information, unfamiliarity with planning systems, difficulty in navigating red tape and regulatory requirements. This intervention will enhance support to investors who wish to redevelop agricultural properties in the Goulburn Murray region. Investors could include current landholders or outside investors. Proposed projects would need to meet assessment criteria aligned with resilience objectives.

The ARC Pilot Project is currently being implemented by Goulburn Broken CMA.

A3 Smart Farming

In a changing and complex environment, embracing change and complexity is vital. This includes embracing technology change. It increases the resilience of farming enterprises and food manufacturing by enabling them to move up the value chain to higher profitability production. In this intervention, the Strategy proposes to build local capability through connection with leading research and innovation partners.

Shepparton East – regional advantages

Shepparton East has a number of regional characteristics which make it particularly well suited for horticulture production. These include:

- Support services such as extensive cool chain and storage infrastructure, agronomic services and materials required for horticultural production, and access to energy and labour
- Excellent soil types
- A Mediterranean climate
- Significant investment in irrigation infrastructure and drainage providing access to high-quality water and reduced risk of waterlogging and flooding.

These factors have combined to facilitate irrigated horticultural production in Shepparton East as demonstrated in Figure 1 which shows perennial horticulture to be focussed within, and the major land use, in Shepparton East² compared with land use to the north and south of Shepparton.

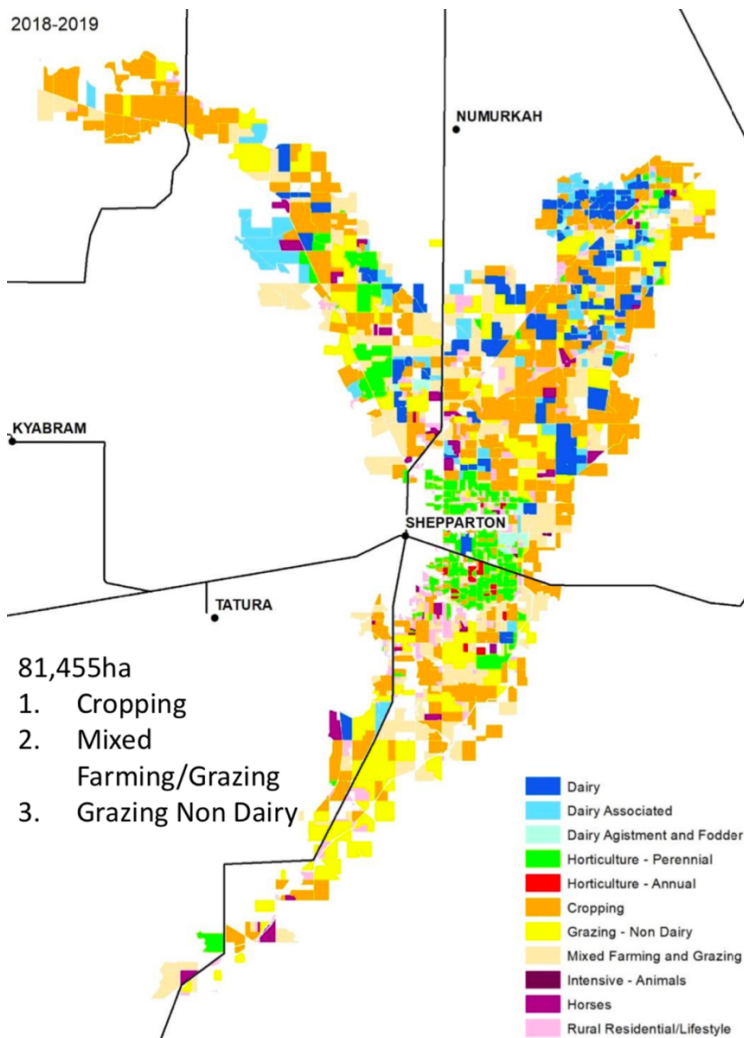


Figure 1: Land use in Greater Shepparton 2018/19 (Draft)

² Regional Irrigated Land and Water Use Mapping in the Goulburn Murray Irrigation District (2018/19) Goulburn Broken Catchment Management Authority

IRRIGATION NETWORK AND SURFACE DRAINAGE

There has been extensive public investment in the irrigation delivery infrastructure and surface drainage systems within Shepparton East (Figure 2). Surface drainage is important to remove surface water and reduce accessions to water tables. The drains are shown in green in Figure 2. The irrigation network servicing Shepparton East has been largely modernised with channels shown in blue in Figure 2. This investment contributes to the suitability of this area for irrigated production of horticultural crops.

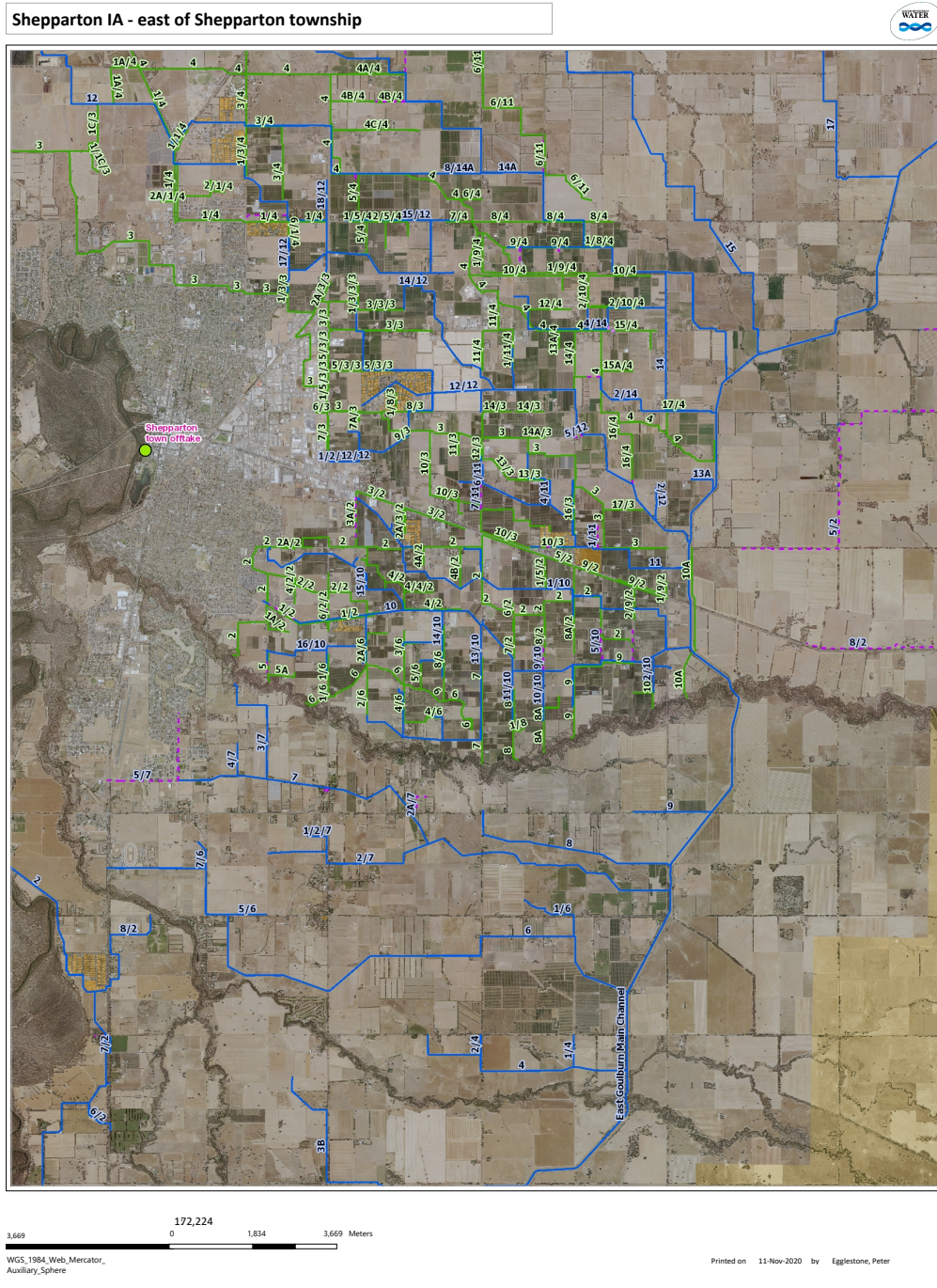


Figure 2: Irrigation delivery network and surface drainage in East Shepparton Region (GMW)

WATERLOGGING RISK

Shepparton East has a low risk of waterlogging as demonstrated in Figure 3, where areas marked in bright green have existing surface drainage, reducing the risk of flooding. This drainage contributes to the suitability of the area for irrigation (as shown in Figure 4).

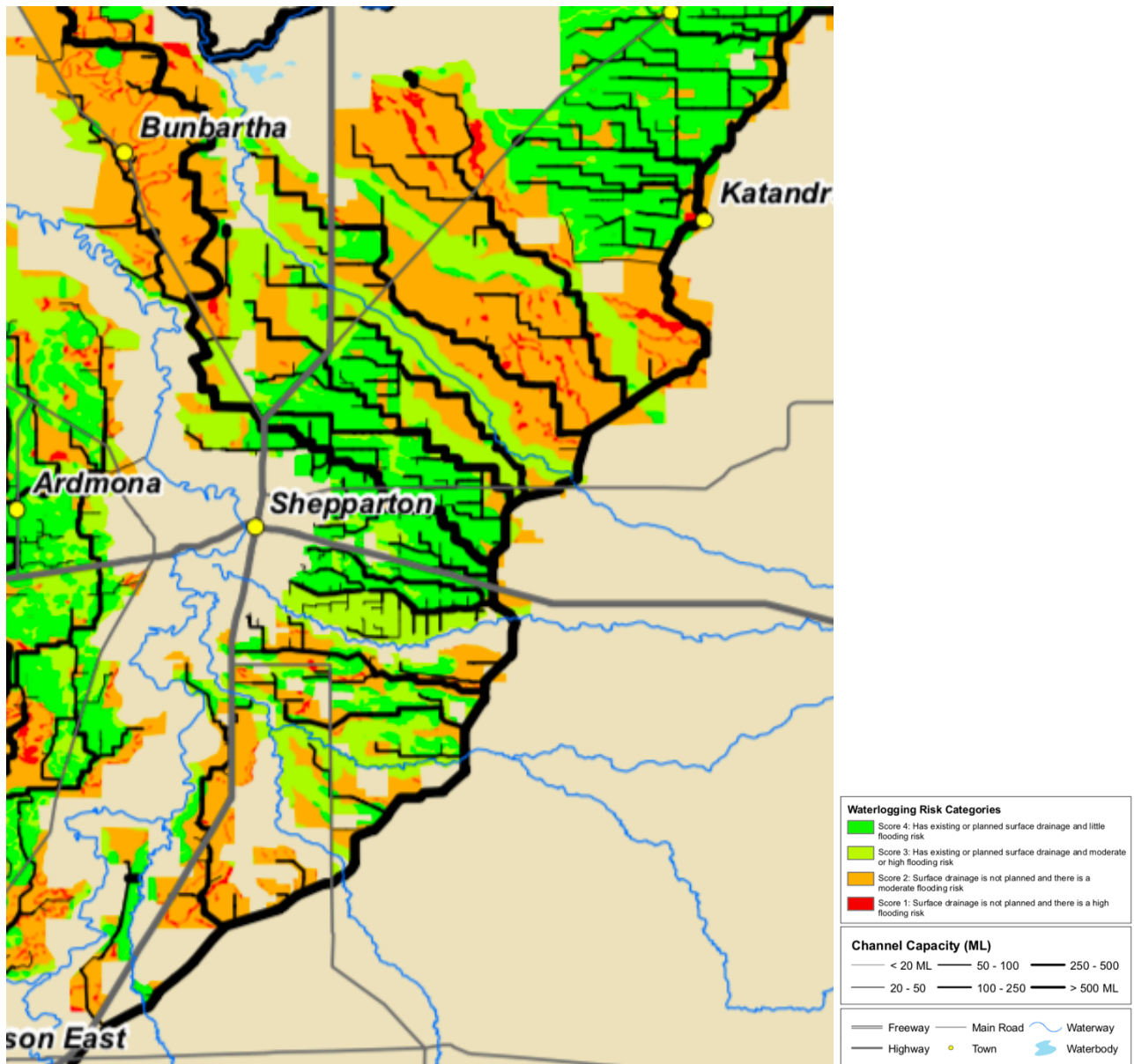


Figure 3: Waterlogging Risk – Compilation Layer³

³ Section of Map 9 of the Shepparton Irrigation Region Atlas 2006 (GMW)

LAND SUITABILITY FOR IRRIGATION

Shepparton East is considered highly suitable for intensive irrigated agriculture or horticulture as demonstrated by the areas marked bright green in Figure 4 (which indicate high suitability). The suitability of land for irrigation in the greater Shepparton region was assessed and mapped in the Shepparton Irrigation Region Atlas⁴. The suitability of land for irrigation was assessed based on the:

- suitability of soils for irrigation
- subsoil salinity
- subsurface drainage and water table depths
- potential for water logging.

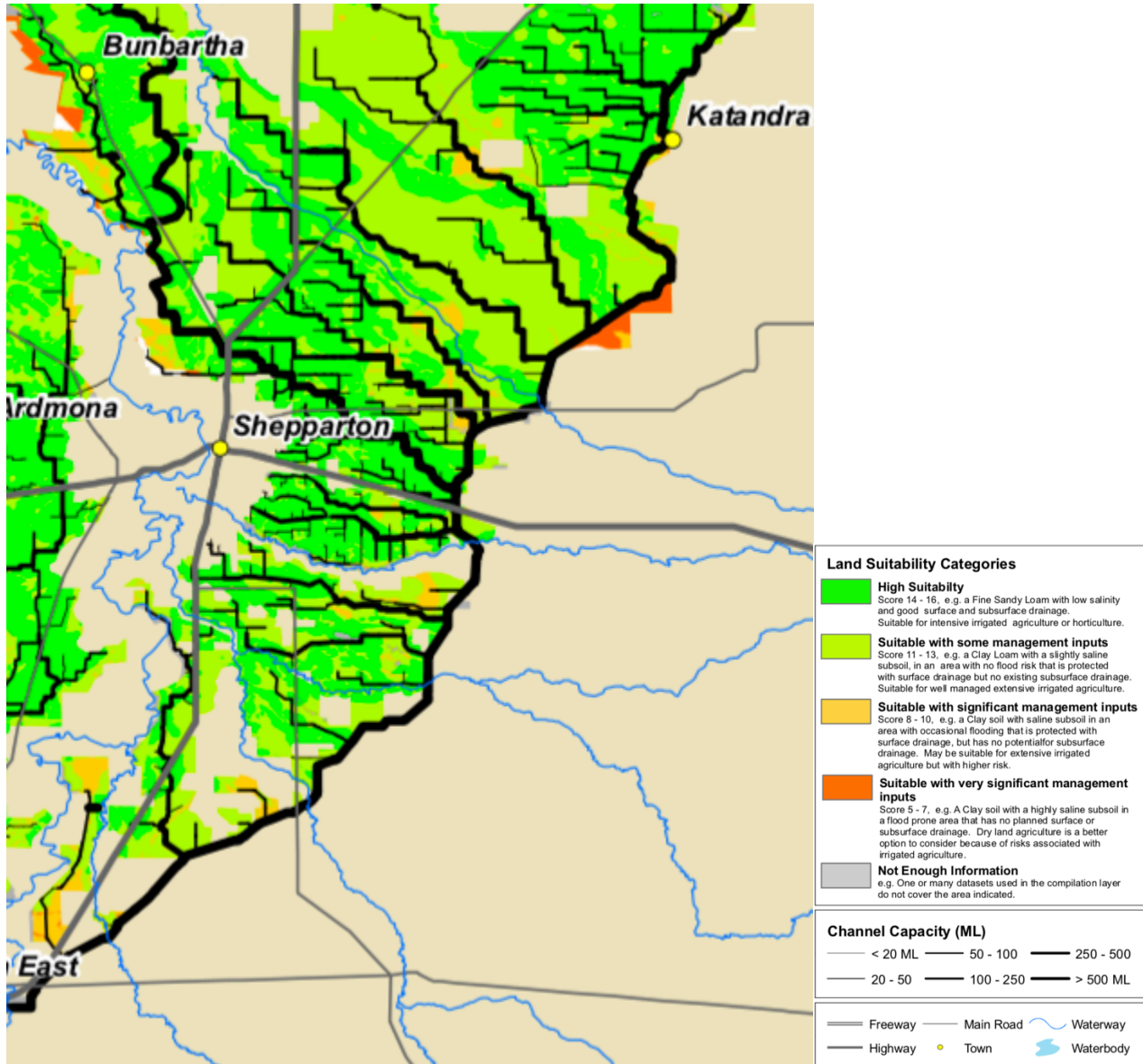


Figure 4: Land suitability for irrigation in Shepparton⁴

⁴ Section of Map 10 of the Shepparton Irrigation Region Atlas 2006 (GMW)

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