Latrobe City Council Submission

Agricultural Competitiveness Green Paper
December 2014

For further information in relation to this submission please contact
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Latrobe City Population and Economic Profile

Latrobe City is recognised as one of Victoria’s four major regional centres and is the State’s only eastern regional centre. The largest population centre in the Gippsland region, Latrobe City acts as the regional headquarters for Government agencies and private operators including banks and insurance companies. Less than two hours’ drive east of Melbourne, Latrobe City is home to approximately 74,000 people. Latrobe City’s 1,426 square kilometres encompasses four urban centres of Churchill, Moe-Newborough, Morwell and Traralgon and seven smaller settlements including Glengarry, Tyers, Toongabbie, Yinnar, Boolarra, Traralgon South and Yallourn North.

With a Gross Regional Product (GRP) of approximately $4 billion, Latrobe City makes a significant contribution to the Victorian economy. Agribusiness industries in Latrobe City which form an important component of the City’s economy, by contributing over $129 million which includes food processing, forestry, sheep, beef, dairy, poultry and pig farming, bee keeping, aquaculture and other horticulture activities. Other key industries in Latrobe City include power generation and distribution, manufacturing, retail, hospitality, aviation, education and health.

Latrobe City provides access to a skilled workforce, strong road and rail transport links, natural resources, established electricity infrastructure, locally based education institutions and affordable land prices.

Gippsland Region

The broader Gippsland Region is rich in natural resources, including forestry, highly fertile land for agriculture, relatively high rainfall, natural gas and brown coal. Gippsland’s natural environment and climate are very conducive to natural resource based industries, in particular agriculture, forestry and energy production.

Gippsland is around 4.3 million ha in size. There are more than 6,500 farms in Gippsland, of which approximately 2,000 are dairy farms. Agribusiness drives the prosperity of the Gippsland region, contributing approximately $6 billion per annum of Gippsland’s $13 billion gross regional product. Farms in Gippsland produced around $1.5 billion worth of agricultural produce, and employed over 16,000 in 2010/11. Gippsland food is exported to national and international markets, particularly Asia. The top ten commodities produced in the region by value are milk; cattle and calves; vegetables; pastures and grasses; sheep and lambs; poultry; wool; eggs; fruit; and cereals for grains.

Gippsland fast facts

- Current population 269,790
- Projected population in 2041* 386,000
- Number of jobs currently within the region 89,386
- 67% of land in the Gippsland region is made up of state-owned forests, national parks and reserves, and native freehold forests
- Supply 60% of Melbourne’s water needs
- 90% of Victoria’s electricity generated in Gippsland in 2010
- 97% of Victoria’s natural gas extracted from Gippsland
- 14% of Australia’s oil extracted from Gippsland**
- 25% of Victoria’s beef produced in Gippsland
- 20% of Australia’s milk produced in Gippsland
- 29% of Victoria’s agricultural, forestry and fishing exports contributed by Gippsland
- 37% of Gippsland business involved in agriculture and fishing operations

**Horticulture**
Gippsland is increasingly becoming the food bowl for Victoria, Gippsland supplies about 14 per cent of Victoria’s fruit and vegetables. 4 Gippsland is home to significant yoghurt and dairy food facility that continues to grow, in particular with Lion’s yoghurt manufacturing facility in Morwell; a substantial vegetable processing industry that operates in east Gippsland; and a major area of potato production centred in Thorpdale in the West, are a few examples of success in the region. There are also a number of smaller organic, viticulture and smaller niche producers throughout the region.

*Forestry*
Our landscape features accessible forest resources and private plantations. The local industry comprises progressive sustainable practice involving softwood, value-added hardwood, and paper production. Australian Paper is one of the largest integrated paper manufacturing facilities in the southern hemisphere, located at the Maryvale Mill in Morwell. The long established complex is a continually expanding operation, which leads in the manufacture of high performance packaging supplies and office paper.

*Dairy*
Gippsland dairy manufacturers form a large processing sector within the region producing fresh milk, milk powder, butter, cheese and other products for domestic and export markets. Several specialty dairy businesses also exist in Gippsland producing a wide range of high quality cheeses and other value-added dairy products.

The dairy industry in Gippsland is the highest value agribusiness industry in the region. In 2006 it produced 30% of Victoria’s milk production and 20% of Australia’s dairy production, making it one of Australia’s leading dairy regions. Milk production comprises about half the total value of Gippsland’s agricultural commodities and earns an estimated farm gate value of $624 million. (Dairy Australia, 2006). 3

*Sheep, beef and poultry farming*
Gippsland has a significant grazing and meat processing industry based predominantly on beef, but also wool and prime lamb production. Gippsland produces 25% of the total value of Victorian beef production and a significant proportion of the high value beef products are exported. The total 2006/07 value of all meat and wool production was $361 million and $146 million respectively. 3
Map of Gippsland

Source: Gippsland Regional Growth Plan

References:
1. Latrobe City Economic & Population Indicators 2014 Report
2. Latrobe City Economic Profile, REMPLAN 2014
4. Gippsland Regional Growth Plan
6. Agribusiness Gippsland Agricultural Competitiveness Issues Paper submission
Latrobe City Council Policy Context

Latrobe City Council has been proactive in planning and advocating with all levels of Government to support investment and to secure the long term economic prosperity and environmental sustainability of Latrobe City and broader Gippsland region. The following key documents overview Council’s vision and objectives in these areas:

**Latrobe 2026: The Community Vision for Latrobe Valley**

The aim of the Community Vision is to identify the current strengths and issues that can be built upon or improved to achieve the Community Vision by 2026.

The Community Vision was generated after identifying three broad concepts shared by the Latrobe Valley community; Sustainability, Liveability and Leadership. The concepts are further broken down into nine objectives; Economy, Natural Environment, Built Environment, Our Community, Culture, Recreation, Governance, Advocacy and Partnerships, and, Regulation and Accountability.

**Council Plan 2013-2017**

Latrobe City Council on behalf of its community identified its vision and key themes which will shape the future of our City to 2017. The Council Plan 2013-2017 builds on the Community Vision, recognising a range of local and nationally significant issues and emerging opportunities and provides its response to them.

The five key themes of the Council Plan are:

- **Job creation and economic sustainability.**
- **Appropriate, affordable and sustainable facilities, services and recreation.**
- **Efficient, effective and accountable governance.**
- **Advocacy for and consultation with our community.**
- **Planning for the future.**

**Economic Sustainability Strategy 2011-2015**

In 2011, Council delivered a revised Economic Sustainability Strategy that provides a framework for Council to identify actions that will consolidate Latrobe City’s position as a major regional city and service centre for the Gippsland region and drive economic growth.

The Strategy focuses on:

- **Strategic Business Development - including retention and growth of existing businesses and pursing new investment;**
- **Building the Investment Brand – promotion and further development of the Latrobe City brand;**
- **Creating an enabling business environment – strong leadership and clear direction, attractive policy setting, efficient and rigorous planning processes; access to skilled labour, high quality infrastructure and services, well managed natural resources, and a liveable city.**
In 2010, Latrobe City developed a policy to deal with structural adjustment pressures that were likely to result from the introduction of a price on carbon and a changing Australian economy. Council’s policy Positioning Latrobe City for a Low Emission Carbon Future (2010) was the first of its kind in Australia. This important policy set the scene for Council’s proactive approach to creating economic growth and transitioning to a low carbon economy.

The core themes contained in the Policy are:
- Pursuing and Realising Opportunities;
- Contingency Planning; and
- Working Together.

Securing Our Future 2013
Securing our Future 2013 complements Positioning Latrobe City for a Low Emission Carbon Future (2010), and represents Latrobe City Council’s immediate asks from the Victorian and Australian Government, to assist the region create real and sustainable jobs. The jobs will stem from local projects, opportunities and initiatives that, if met, will ensure that the Latrobe City economy is able to proactively transform to a low carbon future.

The key directions contained within Securing Our Future 2013 are:
- Advocacy - government to government support and support for our community;
- A new resource - leveraging innovation and jobs from the brown coal asset;
- Economic development - infrastructure enabling job creation; and
- Liveability - Gippsland’s regional city.

Natural Environment Sustainability Strategy 2014-2019
The Natural Environment Sustainability Strategy 2013 -2018 focuses on the sustainable management of the natural environment across Latrobe City for the next five years.

The themes contained within the Strategy are:
- Meeting statutory requirements;
- Building capacity to respond to change;
- Improving resource use efficiency; and
- Protecting natural assets.
International Relations Plan 2011-2014
The International Relations Plan 2011-2014 focuses on engaging with Council’s international community for the cultural and economic benefit of the City.

The objectives contained within the Plan are:
- Communication Activities;
- International Investment;
- Economic and Cultural Strengths;
- International Students;
- Community Involvement;
- Funding Opportunities;
- Sister Cities;
- Community Engagement.

Latrobe Planning Scheme
The Latrobe Planning Scheme outlines the framework for decisions about land use and development within Latrobe City. It also provides a framework for council and the community to highlight key issues such as environmental values and risks; landscape and built environment; heritage; housing; economic development; community development; open space; transport and infrastructure. These issues influence where we live, how we get to work, where we shop and what we do in our spare time.

Regional and State Policy Context
There has been significant regional and state planning in relation to many of the issues identified in this green paper, and references from these documents have been included throughout Council’s submission. The key regional and state documents referenced include:
- Gippsland Regional Growth Plan
- Gippsland Regional Plan
- Gippsland Freight Strategy
- Victorian Freight and Logistics Plan
- Gippsland Food Plan
Latrobe City Council Submission

Latrobe City Council is supportive of a policy which ensures a better return at the farm gate to ensure a sustainable and competitive agriculture sector. As a regional centre of Victoria, growth in the agricultural sector which leads to export growth, job creation and economic growth in the Gippsland Region are an import priority of Council.

Latrobe City Council has identified a range of Agricultural Competitiveness challenges and opportunities locally. Latrobe City Council therefore welcomes the opportunity to provide a submission to the Agricultural Competitiveness Green Paper and appreciates the commitment of the Australian Government to consult with both businesses and communities.

Council acknowledges the broad nature of this issue and has therefore focussed its submission on the key strategic issues which are affecting agribusiness and its competitiveness from a Gippsland regional perspective. Many areas of policy effect agriculture, including tax, education and training, foreign investment, environmental law and industrial relations, among others. Council’s submission outlines support for an integrated policy approach from the Australian Government on the policies that impact agriculture, to ensure the sector is prepared for future challenges and opportunities.


Technology advances, globalisation together with carbon emission reduction strategies and government policy changes present both challenges and opportunities for Latrobe City. Latrobe City Council is committed to strengthening our role as one of Victoria’s four regional cities and Gippsland’s commercial centre whilst ensuring quality education, health, community services and facilities are provided to our community.
**Agricultural Competitiveness Green Paper**

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<th>1. Infrastructure</th>
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*Building efficient and cost-effective transport and communications infrastructure that will support the movement of farm inputs and outputs, reduce costs and open up new markets; and facilitating new or intensified agricultural production.*

**Policy idea 1—Building new transport infrastructure:**

The Government is committed to working towards filling Australia’s infrastructure gaps to meet the infrastructure needs of the 21st century. Some specific stakeholder suggestions included:

a) improving links between public and private freight lines and port infrastructure;

b) investigating all-weather access rural roads that may increase productivity of interstate freight movement, including sealing a third east–west continental road through central Australia;

c) identifying air freight hubs in regional Australia as potential opportunities to significantly reduce transport times to markets; and

d) examining infrastructure for greenfield developments that may support growth in new areas and open up new opportunities for Australian farmers.

Council supports efforts for leveraging innovation and jobs through the export of Gippsland Agriculture produce. Improving the efficiency, reliability and service levels of the region’s transport network to provide access to markets, services and employment will be a key challenge for the region moving forward.

The Gippsland Regional Growth Plan states, ‘The Gippsland region’s access to markets is largely dependent on its linkages to Melbourne and transport hubs such as the Port of Melbourne and Melbourne Airport. Road and rail improvements that facilitate increased freight access to Melbourne’s distribution and export hubs will enhance the competitiveness of Gippsland’s agricultural and manufacturing sectors, while the expansion of the Port of Hastings as an export facility will open up further opportunities for economic growth.’ And ‘While Gippsland has a functional transport network consisting of highways and the Bairnsdale railway corridor, the network will be under pressure in the years ahead with population and economic growth. Communities across the region will need reliable and efficient access to regional services such as hospitals and tertiary education. Industries based on agriculture and coal products will need improved access to Melbourne and export markets with links to ports. It will be important to ensure Gippsland’s transport network keeps pace with growing passenger numbers and changes in the freight task. Sound transport and communication links to Melbourne and its airports, with interstate and international connections, will be needed as Gippsland’s knowledge and service industries grow.’

Reliable and cost effective transport is essential to enable export growth of Gippsland agricultural products to international markets. Transport infrastructure is the key to ensuring growth in this area and to attract long term investment in the Gippsland Region. Rail and Road connectivity
between Gippsland and the Ports is of vital importance.

Council continues to advocate for the development of the Gippsland Logistics Precinct. The precinct would be the centre for efficient and cost effective movement of freight to and from Gippsland. The transfer of shipping containers and bulk freight from road to rail would contribute to relieving road congestion in Melbourne, as well as lowering carbon emissions.

The development of the Port of Hastings is also a key priority for the entire Gippsland region, as expressed in many Latrobe City, and broader Gippsland and State Government strategic documents.

Connectivity to the Port of Hastings is a key infrastructure gap that is negatively effecting long term investment decisions in the Gippsland Region. Securing our Future 2013 outlines key infrastructure requirements to support the access to key export gateways. Rail connectivity between Gippsland and the Port of Hastings is a vital infrastructure requirement that would allow the cost-effective export of products.

Congestion in the Dandenong rail corridor restricts rail freight access to Melbourne; this infrastructure issue could potentially affect the competiveness of businesses efficiently and effectively getting their products to the International market, including access to the Port of Melbourne, Port of Hastings and Port of Geelong. A number of infrastructure improvements could be made to allow for future growth.

The Gippsland Freight Strategy suggests the following road and rail improvement actions (Action 9 and Action 12):

- Improve the capacity of the Bairnsdale- Melbourne rail line to capture opportunities to grow freight on rail;
- Advocate for increase in rail capacity along the Dandenong Rail corridor to improve freight services to and from Gippsland;
- Duplicate remaining single track sections of the
rail between Pakenham and Moe;
- Given its critical importance in linking to export markets, include the Melbourne-Bairnsdale rail line on the National Network;
- Develop a plan for rail freight access from Gippsland to the Port of Hastings.

The Gippsland Freight Infrastructure Masterplan includes the following strategic road and rail priorities:
- Identify and protect all rail and road access easements within the Port of Hastings precinct;
- Planning for new railway lines from central Melbourne and Gippsland to Lyndhurst and Hastings;

Council supports the strategies and actions outlined in the Victorian Freight and Logistics Plan and the long term metropolitan freight network vision, which includes:
- preserving a corridor for appropriate rail connections to the Port of Hastings, including consideration of a potential direct connection to Gippsland;

The Victorian Freight and Logistics Plan also identifies air freight and states, ‘Avalon Airport has developed as Melbourne’s second major international airport, complementing Melbourne Airport. Although air freight is still handled at both locations, Avalon’s potential as the preferred gateway for dedicated freight services is emerging due to its excellent land transport connections, land availability and accessibility for high value regional produce exports to the Asian markets. An appropriate site for a new airport to serve south-east Melbourne and Gippsland has also been identified and required planning protections for its development are in place.’

Latrobe Regional Airport is one of Victoria’s premier regional airports, and is owned and operated by Latrobe City Council. The Latrobe Regional Airport has the potential to be an airfreight hub located in the centre of Gippsland. The airport is home to a commercial-industrial precinct offering 40 serviced allotments with direct taxiway access to the main runway. It provides opportunities for new businesses
looking for a regional operation close to Melbourne. The continued development and growth of Latrobe Regional Airport will create further opportunities for aviation-related businesses to establish and expand. A regional airport in Gippsland could also decrease congestion through Melbourne, as well as allow for fast processing, and support growth, of high value agricultural exports from the Gippsland Region.

| Policy idea 2—Improving existing infrastructure and transport regulation: | As discussed in policy idea 1, reliable and cost effective transport are essential to enable export growth of Gippsland agricultural products to international markets. Transport infrastructure is the key to ensuring growth, and to attract long term investment in the Gippsland Region. Rail and Road connectivity between Gippsland and export Ports is of vital importance.

It is therefore vitally important to plan for investment in both existing, as well as, new infrastructure to ensure reliable transport infrastructure.

The Victorian Freight and Logistics Plan outlines the Victorian Governments plan in respect to rail freight:
- support annual maintenance and renewal works on Victoria’s rail freight network;
- continue support for the Mode Shift Incentive Scheme (MSIS), subject to regular evaluation;
- work with industry and network managers to:
  - identify and action initiatives to simplify arrangements for network access and regulatory compliance;
  - identify and action initiatives to improve the efficiency of intermodal operations at ports;
  - establish a ‘rail freight facilitation unit’ and improved arrangements for consultation with rail freight operators and customers on the planning and management of rail freight operations.

The Gippsland Regional Growth Plan, also identified this as a key issue, ‘Deliver timely and accessible infrastructure to meet regional needs for transport, utilities and community facilities.’ And ‘Support road, rail and port improvements across Gippsland and beyond, particularly to markets and employment.’

| The Victorian Freight and Logistics Plan outlines the Victorian Governments plan in respect to rail freight: | the... |
**Policy idea 3—Enhancing communications:**
The Government is committed to ensuring that farmers and regional communities have access to reliable and affordable communications systems. Views are sought on areas of focus for future government and commercial investment in communications infrastructure and options to assist farmers and regional communities to use the communications infrastructure currently being deployed.

Council supports regional communities having access to reliable and affordable communication systems.

The *Gippsland Regional Growth Plan* has identified this as a key issue, *‘Deliver timely and accessible infrastructure to meet regional needs for transport, utilities and community facilities.’* And *‘Work with utility and service agencies to optimise access to gas, electricity, drainage, water, sewerage and telecommunications and cater for a growing population and economy across the region.’*

The National Broadband Network (NBN) is an important project to upgrade the existing fixed line phone and internet network infrastructure. The ongoing NBN rollout will ensure homes and businesses in Latrobe City can access internet speeds people in the city take for granted. It is essential for farmers and regional communities to transition to a digital future. Fast broadband has the potential to fuel growth and drive improvements to local economies, businesses and homes, bringing new opportunities.

Council is supportive of this policy idea, in particular fixing communication blackspots in Gippsland. The Federal Government recently held forums in Gippsland, including one in Traralgon. The Government has allocated $100 million to fix mobile phone blackspots, and Latrobe City advocates for part of this allocation to be spent in Gippsland. Communication blackspots are a key issue for rural communities, including farmers, who need to operate their businesses efficiently. Other issues associated with blackspots include safety, particularly during natural disasters like bushfires and floods.
# 2. Working with States and Territories

To deliver improved outcomes for Australian agriculture, including by tackling deregulation through the Council of Australian Governments (COAG) agenda.

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<th><strong>Policy idea 4—State government deregulation:</strong> Deregulation is a priority for COAG, with governments already looking at ways to reduce red tape and duplication and improve the performance of regulators. Stakeholders suggested some ideas for deregulation including:</th>
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<td>a) removing excessive native vegetation laws;</td>
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<td>b) removing excessive work health and safety requirements; and</td>
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<td>c) improving the efficiency of the native title system.</td>
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Council supports creating an enabling business environment, as outlined in Council’s Economic Sustainability Strategy. Creating a business environment that is attractive to existing and new business owners and investors is a key focus of Latrobe City Council.

The Strategy outlines Council’s role to create an enabling business environment including:

- strong leadership and clear direction;
- attractive policy setting;
- efficient and rigorous planning processes;
- access to skilled labour;
- high quality infrastructure and services;
- well managed natural resources, and
- a liveable city.

Latrobe City Council’s Natural Environment Sustainability Strategy outlines how Council will fulfil our regulatory responsibilities under the Planning and Environment Act 1987 and meeting the environmental requirements of state and federal legislation. ‘Council will do this by providing advice on meeting the requirements of the Latrobe Planning Scheme, assessing plans and permit applications, conducting site visits, auditing forestry coupes and prosecuting people for the illegal clearing of native vegetation. We will also work to meet our legal obligations as a land owner, for the protection of land and water and the management of invasive species; this includes treating weeds on Council land to make sure they do not spread.’

Council encourages the Australian Government to ensure that the appropriate regulatory framework is developed and appropriately regulated to ensure community safety and environmental management is achieved, while not hampering economic growth.

Council note the additional financial burden of excessive native vegetation laws, reducing efficiency and increasing the costs of key projects in the region.
Council acknowledges the important role the agriculture sector plays in the regional economy, and that the protection of the resource base is a key issue.

Latrobe City is rich in natural resources, including forests, fertile land for agriculture, water and one of the world’s largest deposits of lignite (brown coal). The Latrobe Valley, with its temperate climate, reliable rainfall and rich fertile soils supports a vibrant agricultural industry.

These natural resources have led to a diverse industry base including; coal mining and electricity generation/distribution and associated industries; timber, forestry and paper production; and agriculture, dairy and food processing. Council is supportive of all of these industry sectors, as it believes they are all important components of the Latrobe City and broader Gippsland economy. Council believes it is important that land is allocated for both mining and agricultural activities, to ensure they can co-exist effectively.

Council acknowledges the need to ensure that adverse impacts of mining on the agriculture sector need to be appropriately managed to ensure no long-term damage is done to the natural environment.

Mining licenses and regulation is governed under state legislation. The role of local government is limited to participation in Environmental Effects Statement (ESS) processes, planning permits and advocating for local communities. It is also crucial that there is an ongoing community engagement and awareness program in order to adequately engage our community on this issue. Council supports the State Government review of mining licences to consider impacts on long held licences on farm land, noting the effect on future investment decisions due to uncertainty of tenure over affected farm land. Council also notes that the negative impact of mining licences on farm land values.

Council also advocates for the progressive and final rehabilitation or reclamation of disused sections of coal mines. Surface coal mining, like what occurs in
the Latrobe Valley, removes existing vegetation and alters the land uses. One key driver of rehabilitation is the recent Hazelwood Mine Fire, which took place within our municipality and affected our local community. Following the fire, the Hazelwood Mine Fire Enquiry was undertaken, which discussed the issue of rehabilitation and reclamation to manage the risk of fire at coal mines. Another key issue is the fact that coal mining activities and agricultural activities are often competing for the same fertile land, this suggests that reactivating used coal mines for agricultural purposes is an economic, environmental and social way of addressing the issue of mine rehabilitation into the future.

Latrobe City Council recognises the key economic role large industries play in the community of Latrobe City. Large employers that have a demonstrated history of investment are integral to the overall economic output of Latrobe City and wider Gippsland region.

The Gippsland Regional Growth Plan identifies this as a key issue, ‘Support the implementation of state policy protecting the identified areas of strategic significance (agriculture and forestry) and irrigation assets to help grow Gippsland and the state as an important food bowl for Australia and Asia’. And ‘Ensure rural housing and subdivision is for an agricultural or forestry purpose, and critically assesses other proposals for non-agriculture uses within the areas of strategic significance (agriculture and forestry) for their comparative economic, social and environmental benefits.’ And, ‘Strengthen economic resilience by growing a more diverse economy that is supported by new investment, innovation and value-adding in traditional strengths’ and ‘Advance productive and innovative agriculture, forestry and fisheries sectors with a focus on export markets and local food processing.’

The Gippsland Regional Growth Plan also states, ‘The region is currently investigating opportunities for new investment and value-adding in this sector through the Gippsland Food Plan supported by the Regional Development Australia Gippsland Committee. Gippsland’s food manufacturing industry
relies on a consistent supply of quality product to ensure operations can run at optimum capacity. Protecting and maintaining Gippsland’s strategic and productive agricultural land is therefore essential for the continued growth of the food manufacturing sector.’

Council has identified this issue as part of the current review of the Latrobe Planning Scheme which states, ‘There is little in the Local Planning Policy Framework about agriculture and farming activities. However, it does acknowledge pressure for rural residential development and it states that high value rural land and natural resources need to be protected. The identified strategies to protect high quality agricultural land include encouraging “high quality agricultural land to be used primarily for farming purposes”. And ‘There is uncertainty around the application of the coal provisions because the provisions have been awaiting review by the state government for some time. Furthermore, Coal Resources Victoria (formerly Clean Coal Victoria) is preparing a Strategic Plan for Coal project that may also lead to changes to the existing coal provisions. A clear rural/agriculture strategy is needed as there is good quality soil in the city and Council should not be using high quality agricultural land for residential use. The 1984 Swan/Vollum study remains the most relevant background document.’ And ‘Department Transport Planning and Local Infrastructure is doing a state-wide strategy on the importance of agriculture to regions and this might lead to a planning control on High Quality Agricultural land such as has been used at Baw Baw; East Gippsland and Mildura.’

**Policy idea 6—Strengthening farm businesses:** There are a number of State and Territory policy changes that could be made to allow farm businesses to operate more effectively. These include:

a) implementing a nationally consistent and mandatory approach to farm debt mediation;
b) subsidising farm energy audits;
c) streamlining development application processes by assigning a single

Council is supportive of state and federal government policy changes that support farm businesses to be more profitable and productive. An overview of what Council is currently doing is provided in Council’s response to policy idea 12.

Council also has strategies in place which are supportive of these concepts. Council’s is supportive of subsidising farm energy audits, the Natural Environment Sustainability Strategy states, ‘We will also provide targeted environmental information and environmental recovery programs following natural
| government official to assist a farm business as they work through the different steps; | disasters, keep informed by publishing a State of Environment report for the Latrobe City Council area, and running education programs for schools, businesses and households to enable them to improve their energy efficiency and reduce their environmental impacts.' |
| d) enforcing animal welfare legislation and strengthening laws to stop trespass on farms; and | Council encourages changes to policy to ensure animal welfare legislation is enforced for all animals and strengthening laws to stop trespass on farms. Local Government has long been the level of government primarily responsible for domestic animal management, in accordance with section 68A of the Domestic Animal Act 1994. Council’s Domestic Animal Management Plan, states ‘Promote the Bureau of Animal Welfare’s Responsible Pet Ownership programs.’ |
| e) adopting the Co-operatives National Law to make it easier to run a cooperative across different states. | Streamlining development applications to assist a farm business is also seen as important in order to make it easy for business to invest, adapt and grow. Council’s Economic Sustainability Strategy states, ‘Creating an enabling business environment: Latrobe City Council intends to be at the forefront of delivery of planning permit assessments and visionary strategic land use planning.’ |
| | Council have developed a Planning Guide for Business, which outlines the planning permit process, and the course to be followed when applying for planning permits for a business or industrial activity in Latrobe City. It is designed to assist prospective or existing businesses when applying for a planning permit. |
### 3. Competition and regulation

Giving farmers the best chance to earn a fair return on investment by ensuring fairness and transparency in the supply chain; and making sure that unnecessary red and green tape is removed and that necessary regulation creates the least possible costs for business and individuals.

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<th><strong>Policy idea 7 — Improving market competition:</strong></th>
<th>Council has no policy position relating to policy idea 7, however is supportive of improving market competition in general.</th>
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<td>The Government aims to facilitate and support a regulatory environment that allows agricultural markets to operate efficiently and transparently to support competition. Many stakeholders argued that there was a lack of transparency and certainty in the price of agricultural products and that this had led to difficulties in planning or investing. Stakeholders also argued that producers had been unfairly dealt with by other players in the supply chain. Stakeholders suggested that the Government:</td>
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<td>a) introduce options to increase price transparency throughout the domestic supply chain;</td>
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<td>b) introduce new marketing mechanisms that might restore balance of power to the producer; and</td>
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<td>c) facilitate greater use of cooperative structures.</td>
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<th><strong>Policy idea 8—Strengthening competition laws:</strong></th>
<th>Council has no policy position on policy idea 8, however it is supportive of changes that would assist in improving our regional economy.</th>
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<td>The Government is committed to ensuring that competition laws in Australia provide a sound basis for ensuring firms act in a competitive manner. Current competition laws generally seek to prevent the misuse of market power and allow for collective bargaining (including by farmers) in certain circumstances, to negotiate better deals. The Government’s Competition Policy Review is examining these issues and the Review Panel released its draft report on 22 September 2014. Stakeholders consulted as part of the Agricultural Competitiveness White Paper</td>
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suggested improvements to competition laws, such as making it easier to prove that market participants had misused market power (strengthening s46). They also raised other issues including divestiture, exclusive dealing (s47), powers to obtain information, documents and evidence (s155), the unconscionable conduct provisions of the Competition and Consumer Act (CCA), and whether there are barriers to the emergence of major Australian agribusiness companies (‘national champions’) of global scale for exporting to international markets. Specific changes suggested include:

a) revisions to the CCA to make it easier to prove breaches of market power provisions; introduce a flexible anti-competitive ‘effects test’ in the misuse of power provisions; and increase penalties for breach of the CCA including a general divestiture power enabling courts to break up a business that repeatedly breaches the CCA;

b) reviewing competition laws to consider whether there are any barriers to greater consolidation among agribusiness firms;

c) increasing the resources of the ACCC, including specialist agribusiness knowledge, and requiring the ACCC to publish more information on investigations and their outcomes; and

d) creation of a supermarket ombudsman with penalty powers and a mandatory code of conduct for supermarkets (across all commodities) backed by direct financial penalties. The Government will consider views on these issues in the context of responding to the Competition Policy Review.
**Policy idea 9 – Improved regulation:**
The Government is committed to making sure that unnecessary red and green tape is removed, and that necessary regulation is effective but imposes the least possible costs for business and individuals. Stakeholder suggestions included:

- a. changes to the regulation of AgVet chemicals, such as through relying on the advice of trusted foreign regulators and allowing the Minister to issue temporary permits for chemicals; and
- b. improvements to Country of Origin Labelling to ensure that consumers clearly understand the origin of their food.

Australia’s reputation as a supplier of safe and high-quality food is supported by appropriate legislation and regulation being in place.

Council encourages the Australian Government to ensure that the appropriate regulatory framework is developed and appropriately regulated to achieve efficient outcomes that ensure community safety and environmental management is achieved, while not hampering farmers with unnecessary regulative and legislative processes.
4. Finance, business structures and taxation

**Improving access to finance; providing access to reliable independent business information and advice; and ensuring that the tax system appropriately encourages investment.**

<table>
<thead>
<tr>
<th>Policy idea 10—Improving access to finance:</th>
</tr>
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<tbody>
<tr>
<td>The Government wants effective finance mechanisms to provide farmers with the capital they need to grow. Stakeholders suggested a number of options for assisting Australian farmers to better meet their financing requirements including:</td>
</tr>
<tr>
<td>a) making the existing concessional loans scheme permanent; and</td>
</tr>
<tr>
<td>b) creating incentives to encourage greater institutional investment in agriculture. Options could include creating superannuation products that exchange cash for partial equity in farms and the issuing of special Government bonds to finance agricultural infrastructure investments, with taxation concessions for investors.</td>
</tr>
</tbody>
</table>

| Council has no policy position on policy idea 10, however is supportive of changes that would create an economy and environment that provides certainty, creates efficient outcomes and boots investment and employment opportunities. |

<table>
<thead>
<tr>
<th>Policy idea 11—Improving tax system efficiency and equity:</th>
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<tbody>
<tr>
<td>It is important that Australian farmers are subject to fair taxation arrangements that recognise the unique circumstances of farming. In general, taxation policy changes should be considered in the context of the Government’s Tax White Paper. However, specific policy changes that relate only to the agriculture sector could be considered in the Agricultural Competitiveness White Paper. Suggestions include:</td>
</tr>
<tr>
<td>a) revising the non-commercial loss rules to encourage investment, by removing the $250,000 maximum income threshold or raising it to $1 million, increasing access to the primary producer exception to the non-commercial loss rules by raising the income threshold;</td>
</tr>
</tbody>
</table>

<p>| Council has no policy position on policy idea 11, however is supportive of these proposals in general terms, as they have the potential to create employment opportunities. |</p>
<table>
<thead>
<tr>
<th><strong>Policy idea 12—Farm business improvement:</strong></th>
<th><strong>Gippsland is home to more than 6,500 farms which produce approximately $1.5 billion worth of agricultural produce. Agriculture and fishing make up 37% of Gippsland businesses and it is fundamental that they are operating as effectively and efficiently as possible.</strong> Latrobe City Council is supportive of any activities which ensure farm business have access to information and services to support this objective. Council is already working towards this through the provision of support and resources to all businesses including:</th>
</tr>
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<tbody>
<tr>
<td>Farm businesses need to consider the most appropriate business structure for their circumstances, and access business information and rural services that allow them to operate at their best. To promote more competitive farm businesses with better support for farmers, stakeholders suggested:</td>
<td>a) establishing a programme offering independent business advice and assistance to farmers to improve decision-making and performance;</td>
</tr>
<tr>
<td>a) establishing a programme offering independent business advice and assistance to farmers to improve decision-making and performance;</td>
<td>b) increasing thresholds and extending eligibility for the Farm Management Deposits Scheme (FMDs)—for example by increasing the deposit limit for FMDs to $1 million—raising the off-farm income threshold, extending access to FMDs to companies and trusts and re-establishing early access provisions in times of drought;</td>
</tr>
<tr>
<td>c) reducing the complexity of depreciation for farm plant and equipment by changing the effective life schedules for farm plant and equipment, which would result in a positive effect on productivity;</td>
<td>c) reducing the complexity of depreciation for farm plant and equipment by changing the effective life schedules for farm plant and equipment, which would result in a positive effect on productivity;</td>
</tr>
<tr>
<td>d) realigning the Zone Tax Offset scheme to be representative of the true cost of isolation from publicly funded amenities such as health and education services and public transport;</td>
<td>d) realigning the Zone Tax Offset scheme to be representative of the true cost of isolation from publicly funded amenities such as health and education services and public transport;</td>
</tr>
<tr>
<td>e) allowing farmers to trade tax losses to non-farm businesses, such as banks, to assist farm cash-flow in low-income years;</td>
<td>e) allowing farmers to trade tax losses to non-farm businesses, such as banks, to assist farm cash-flow in low-income years;</td>
</tr>
<tr>
<td>f) allowing farmers to opt back in to the income tax averaging provisions after a period of time to recognise changing circumstances; and</td>
<td>f) allowing farmers to opt back in to the income tax averaging provisions after a period of time to recognise changing circumstances; and</td>
</tr>
<tr>
<td>g) reducing and better targeting the rebate of the Wine Equalisation Tax.</td>
<td>g) reducing and better targeting the rebate of the Wine Equalisation Tax.</td>
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</tbody>
</table>
Latrobe City Council
Agricultural Competitiveness Green Paper Submission

| b) expanding the role of Rural Financial Counselling Service to assist ‘at risk’ businesses, promote learning and extension activities and provide links with mental health support services; and  
<table>
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<tr>
<th>c) establishing a programme to encourage collaboration between agricultural businesses by providing a networking service to bring interested parties together.</th>
</tr>
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</table>

| Guides and information from government and private industry sources to help those who would like to start and/or improve their business:  
| • Small Business Commissioner guide;  
| • Planning to Succeed Business Planning Guide;  
| • Guide for home-based business operators;  
| • Tax basics for small business guide;  
| • Starting your business a short guide for new starters. |

Council have also developed guides and provide advice and support services to businesses;  
• Small Business Toolkit;  
• Planning Guide for Business;  
• Food Businesses advice and support;  
• Small Business Mentoring Service.

Council also provides information to businesses on how they can assess other relevant services including:  
• Victorian Small Business Commissioner;  
• Grants and Funding;  
• Tax Assistance.

Latrobe City Council has recently provided support to Agribusiness Gippsland and the Small Business Mentoring Service in their application to the Australian Government for funding of the Small Agribusiness Mentoring Program.

Latrobe City Council recognises the contribution to the regional economy of agribusiness with businesses in Latrobe City providing agribusiness services to the surrounding agricultural areas as well as those located within the municipal boundaries. The agribusiness sector is a valuable part of Latrobe City’s diverse economy and Latrobe City Council welcomes this project to facilitate sustainability and growth of small agribusinesses.

Latrobe City supports small business in range of ways including access to mentoring provided by the Small Business Mentoring Service. Latrobe City additionally provides access to venues through this project for workshops and mentoring sessions. Any initiatives that provide the farming sector with improved advice and support is welcomed by Latrobe City Council.
5. Foreign investment

Encouraging responsible foreign investment to build new production capacity; and ensuring the foreign investment regulatory framework takes into account the needs of the agriculture sector.

<table>
<thead>
<tr>
<th>Policy idea 13—Improving the transparency of foreign investment:</th>
<th>Council is supportive of this policy idea and would like to see a comprehensive approach to identifying agricultural land nationally with a focus on supporting and protecting Australian investment and ownership of large farms. This would ensure food and water security, as well as, ensuring economic benefits of growth in this sector are realised in our local communities into the future. Council also notes it is worth recognising the small land holders which make an agricultural contribution. The Gippsland Food Plan discusses this key issue, ‘Australian food production resources are an increasingly attractive foreign investment, particularly countries that have food security challenges.’</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expanding the coverage of the register of foreign ownership of agricultural land to water and agribusiness enterprises would improve transparency and allow for a more informed debate about foreign ownership.</td>
<td></td>
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</tbody>
</table>
### 6. Education, skills and training, and labour

**Ensuring agriculture is well covered in our education system; making education more accessible for children in remote areas; increasing skills of new and existing workers; enabling access to a flexible workforce; and attracting new entrants into agriculture.**

**Policy idea 14—Strengthening agricultural education:**

Young people, including those in rural and remote Australia, should have access to a comprehensive education. This should include a clear pathway for agricultural education and training from high school to tertiary level, to training opportunities for lifelong learning for those in the industry. Stakeholders frequently raised the difficulties faced by young farmers in getting a foothold in the industry, due to lack of clarity about career options and growth possibilities and high capital costs. Options include:

- **a)** working with States and Territories to ensure agricultural high schools and colleges have the resources to continue to specialise in agriculture in the future;
- **b)** establishing a young farmers’ mentoring and networking programme to help new entrants, including offering clear advice and information on education pathways for agricultural careers;
- **c)** increasing financial support for regional education by extending the Assistance for Isolated Children (AIC) allowance and providing living away from home allowances for students from remote areas studying tertiary agriculture; and
- **d)** creating national agricultural tertiary centres of excellence in regional areas for education, training, research and extension.

The **Council Plan 2013-2017** outlines Council’s support for ensuring the long term job security and creation of new employment opportunities in Latrobe City. This is complemented by Council’s **Economic Sustainability Strategy** further outlines the need for access to skilled labour and targeted education and training to increase Latrobe City’s competitive advantage, workforce participation and productivity.

Council’s **Economic Sustainability Strategy** specifically discusses the need for access to skilled labour and the need for targeted education and training to increase Latrobe City’s competitive advantage, workforce participation and productivity. The **Strategy** outlines Council’s support for the Skilling the Valley initiative which, aims to identify future industry and employment opportunities and to develop new skills in the Latrobe Valley. The initiative specifically focuses on; Strong Foundations for Gippsland; State of the Valley Report; Preparing for the Future; Worker Engagement; and Skilling the Valley Project Officers.

Council advocate for a commitment from the Government to invest in industry planning, job creation and skills enhancement opportunities in Latrobe City. Responding to industry opportunities and challenges will require ongoing education and training to match the workforce needs of future operating environments and emerging industries across the agriculture value chain including processing, distribution and marketing. Skills are essential to ensuring we continue to make advancements in the agriculture industry.

The **Gippsland Food Plan** discusses this key issue, ‘The food system requires a diverse and adaptable workforce including reliable semi-skilled labour, highly trained technicians supporting automated manufacturing machinery and dynamic networked management providing industry leadership.’
The Gippsland Food Plan Priority 3. Innovation and adaption to change, outlines the following action:

3.7 Knowledge, skill and workforce development: Research and Development. Encourage research and development relevant to the needs of the Gippsland food system, the development of best practice based on acquired knowledge of market related expertise.

3.8 Knowledge, skill and workforce development: Sharing knowledge. Foster mechanisms that promote the sharing of knowledge and innovative practices and the uptake of new technologies and systems by entities within the Gippsland food system.

3.9 Knowledge, skill and workforce development: Promote training needs. Support the identification of the knowledge and skills requirement of the Gippsland food system and the development of appropriate education and training programs. Promote opportunities for participation in education and training to participants in the Gippsland food system.

3.10 Knowledge, skill and workforce development: Promote employment opportunities. Support the workforce development needs of the Gippsland food system and promote the range and diversity of employment opportunities.

The Gippsland Regional Plan identifies an opportunity for establishment of a Centre of Excellence for Sustainable Technologies (CEST) in the region and Latrobe City Council supports this proposal. The Centre, which would be located at the regional university, would work to ensure that the region’s current reliance on its extensive natural resources (timber, biodiversity, water, agriculture and fishing) can continue, enabling Gippsland to diversify its economy base. The Centre would focus on education, research and industry integration to assist the transition to new technologies now and well into the future. Due to changing priorities of government, this project has not yet been realised. Council continues to support this project as it understands the importance of local research and development and of the benefits the Centre would bring to the region.
## Policy idea 15—Strengthening labour availability:

While the Government is strongly focused on strengthening the domestic labour market and creating jobs for Australians, visa programmes can be an important means of supplementing domestic labour supply for the agriculture sector. Stakeholders emphasised the importance of labour market flexibility and the ability to access labour when needed, and recommended broadening the scope of existing visa schemes. Options to improve the flexibility and reduce the compliance burden of existing visa programmes include:

<table>
<thead>
<tr>
<th>a)</th>
<th>expanding the Working Holiday Maker (417) visa by increasing the qualifying age, expanding the country coverage and allowing a second application;</th>
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<tbody>
<tr>
<td>b)</td>
<td>broadening the skill coverage of the Temporary Work (Skilled) visa (subclass 457);</td>
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<tr>
<td>c)</td>
<td>expanding the Seasonal Worker Program to all agricultural industries;</td>
</tr>
<tr>
<td>d)</td>
<td>streamlining visa application processes to reduce administrative burdens (i.e. shorter application waiting periods, less onerous superannuation requirements and automatic provision of tax file numbers); and</td>
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<tr>
<td>e)</td>
<td>providing clearer pathways to residency for visa holders in farm management.</td>
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</tbody>
</table>

As discussed in policy idea 14, Council is supportive of ensuring the long term job security and creation of new employment opportunities for the Latrobe City community.

The unemployment rate and high number of low income earners has resulted in a high level of disadvantage within the Latrobe City community, with Council ranking as one of the most disadvantaged LGA’s in Victoria, and Australia. Therefore creating jobs for our community is a key priority of Council.

Council advocate for a commitment from the Government to invest in industry planning, job creation and skills enhancement opportunities in Latrobe City, to ensure our local workforce are skilled appropriately.

Council’s *Economic Sustainability Strategy* further outlines the need for access to skilled labour and targeted education and training to increase Latrobe City’s competitive advantage, workforce participation and productivity.
## 7. Drought

**Building resilience and risk management capability; and providing appropriate support to farm families and otherwise viable farm businesses suffering severe droughts.**

<table>
<thead>
<tr>
<th>Policy idea 16—Increasing drought preparedness:</th>
<th>Council has no policy position on policy idea 16, however it is supportive of changes that would support farmers to prepare and manage all types of natural disasters, including drought.</th>
</tr>
</thead>
<tbody>
<tr>
<td>While a strong and profitable farm business is the best way to prepare for and manage drought, there were a number of specific options that were suggested to improve preparedness:</td>
<td></td>
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<tr>
<td>a) introducing accelerated depreciation—for example, at 100 per cent in the first year—for new water and fodder infrastructure;</td>
<td></td>
</tr>
<tr>
<td>b) encouraging multi-peril crop insurance by providing a grant to reduce the cost of the risk assessment process for commercial insurance products or the States and Territories removing stamp duty on insurance products; and</td>
<td></td>
</tr>
<tr>
<td>c) improving climate information through better tools for use by farmers and additional weather stations.</td>
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| Policy idea 17—in drought support: | |
|------------------------------------|Council has no policy position on policy idea 17, however it acknowledges the broad impact that drought and other natural disasters have on the farming community and is supportive of these policy ideas. |
| There are community expectations of a role for government in providing appropriate support to farm families and otherwise viable farm businesses suffering severe droughts. Options include: | |
| a) additional mental health support in times of drought; and | |
| b) provision of additional assistance for prolonged and severe drought that is beyond any capacity of farmers to prepare for, such as a one in 75-year drought. | |
### 8. Water and natural resource management

*Identifying and building the water infrastructure needed for Australia’s future water supply needs; ensuring sustainable and productive use of natural resources for economic growth and development; improving our knowledge of sustainable resources use; and managing weeds and pests.*

**Policy idea 18—Improving water infrastructure and markets:**

Developing our water infrastructure and improving the efficiency of water trading markets are integral to the competitiveness of Australia’s irrigation industries. Stakeholders suggested some ideas to improve water infrastructure, markets and administration. These included:

- **a)** investment in new dam and infrastructure projects and opportunities to improve water-use efficiency or increase the amount of water available to agriculture through infrastructure projects;
- **b)** providing a 50 per cent per year deduction over three years for investment in on-farm water reticulation infrastructure; and
- **c)** improving the functioning and flexibility of water trading markets, such as through countercyclical temporary trade of environmental water by the Commonwealth Environmental Water Holder and regulating trading of water by speculators.

The Gippsland Regional Plan states, ‘As with other industries, climate change will impact on the region’s agriculture. As many of the region’s water reserves will remain viable while those of neighbouring regions may be drying up, new agricultural opportunities may arise. It is possible that Gippsland may further develop market gardening and be targeted as a suitable place for plantations for carbon credits. Carbon pricing and fuel prices will be long term, significant challenges for this sector. In both respects, detailed consideration should be given to rail for this sector’s export task.’

Council is supportive of initiatives that encourage resilience and long term sustainability.

**Policy idea 19—Natural resource management initiatives:**

Environmental legislation provides important protections for our natural assets. However, regulation needs to appropriately recognise the interests of rural landowners. Ideas included:

- **a)** amending the *Environmental Protection and Biodiversity Conservation (EPBC) Act 1999* to remove onerous on-farm conditions and provide right of way to national transport and infrastructure goals; and

Council’s *Natural Environment Sustainability Strategy* outlines that the natural environment is in a state of constant change, subject to the influences of a full suite of social, economic and environmental processes. Trends in land use, demographics, economy and climate all have implications for the natural environment.

In addition, the frequency and intensity of heavy rainfall events is likely to increase as the climate continues to warm. Intense rainfall events increase the risk of severe flooding with impacts for infrastructure, such as road washouts, biodiversity...
b) promoting more targeted approaches to pest and disease management and control.

and agriculture, such as damage to soil, crops, livestock, loss of native flora and fauna and increased pressure from competitors, predators, disease and parasites.

The Gippsland Regional Plan states, ‘Invasive plants and animals cause significant problems to our natural environment, agriculture industries and amenities in the Gippsland Region.’

Council is supportive of improving the management of pest and disease management and control. Council is supporting this action, as outlined in the Natural Environment Sustainability Strategy, ‘Work cooperatively to control and reduce the spread of weeds on Council rural roadsides and other Council-managed land.’
### 9. Research, development and extension

Boosting productivity through strategic and coordinated research and development; and making sure that farmers can apply the latest innovations through ensuring effective extension of new knowledge and technology.

<table>
<thead>
<tr>
<th>Policy idea 20—Strengthening the RD&amp;E system: Collaboration, cross-sector and transformational research and extension have been identified as current gaps in Australia’s RD&amp;E system. The Government is interested in ways to promote better rural RD&amp;E coordination, reduce duplication, and facilitate the development of private markets in extension services.</th>
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<tr>
<td>Options include:</td>
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<tr>
<td>a) updating the rural RD&amp;E priorities to better align with community needs;</td>
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<tr>
<td>b) establishing a new body, or tasking existing research bodies, to coordinate cross-sector research;</td>
</tr>
<tr>
<td>c) enhancing access to the R&amp;D Tax Incentive;</td>
</tr>
<tr>
<td>d) promoting the development of extension services;</td>
</tr>
<tr>
<td>e) decentralising Government agricultural research functions (such as RDCs and agencies of the Department of Agriculture) to regional areas, as appropriate; and</td>
</tr>
<tr>
<td>f) regular five-yearly assessments of the RD&amp;E system.</td>
</tr>
</tbody>
</table>

Council has identified research and development as a key opportunity to better utilise the extensive natural resources located in Gippsland.

As per policy idea 14, The Gippsland Regional Plan identifies an opportunity for establishment of a Centre of Excellence for Sustainable Technologies (CEST) in the region and Latrobe City Council supports this proposal. The Centre would focus on education, research and industry integration to assist the transition to new technologies now and well into the future. Council continues to support this project as it understands the importance of local research and development and of the benefits the Centre would bring to the region.

Council acknowledges the opportunity for research and development associated with the Carbon Farming Initiative. A price on carbon will open up markets for farmers in carbon management and sequestration schemes. The Carbon Farming Initiative (CFI)/ Emission Reduction Fund (ERF) will create opportunities for the generation of carbon credits through forestry and agriculture projects for sale into carbon markets. In addition, opportunities for the production of biomass crops, algae for electricity and fuels will arise once a price on carbon is introduced. This combined with energy efficiency initiatives and new technologies; CFI presents an opportunity to reduce the overall emissions from brown coal generated electricity in the Latrobe Valley.

Carbon Farming in the Gippsland Basin would not only enhance the region’s agriculture but also reduce emissions through biological carbon capture and storage (bio-sequestration). There would be social, environmental and economic benefits as a result of this approach.

Latrobe City Council’s submission to the Emission Reduction Fund Green Paper, also identifies this: ‘Latrobe City Council is committed to managing and

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protecting its natural environment to ensure a lasting legacy for future generations. Council is supportive of enhancements to the Carbon Farming Initiative that will create opportunities for the wider Gippsland region which is rich in natural resources, agriculture and forestry. Education and engagement of landowners is critical to establish and support bio-sequestration and biomass production activities. Council advocates for Carbon Farming Initiative education programs, once the Emissions Reduction Fund is finalised, to outline the risks and benefits of participation and to provide pragmatic advice on how to progress initiatives. One way of doing this is engaging early with the agribusiness sector to support positive outcomes for Latrobe Valley’s food production industries and the wider Gippsland agricultural sector.’

The Emission Reduction Fund and Carbon Farming Initiative suggest the farming sector will play a significant role in emission reductions and it is important that the sector be adequately resourced to do so. New and adapting businesses will need to be supported by the appropriate research, development and education. Council advocates for this to be done in our regional university. Council strongly advocates to the Australian Government to ensure support and education are provided to ensure opportunities for Gippsland farmers can be realised.

Latrobe City Council recognises the importance of the timber industry to both Latrobe City and the broader Gippsland region. Central to Council’s commitment to job retention and creation is supporting significant local industry in order to secure jobs and leverage further investment. In what is an Australian first, a draft Wood Encouragement Policy has been developed, which is currently out for community consultation. The draft policy aims to encourage the use of wood as the preferred material for construction and fit out of Council buildings and infrastructure; to ensure that wood is considered at the initial stages of Council projects; and to attract wood-related development and research into the municipality. The Policy seeks to place Latrobe City Council as a national leader on this issue, and support the retention and expansion of the timber industry.
## 10. Biosecurity

**Protecting our favourable animal and plant health status to maintain productivity and access to export markets.**

<table>
<thead>
<tr>
<th>Policy idea 22—Improving legislation:</th>
<th>Council are supportive of a Biosecurity Bill and associated legislation to ensure the health of all Victorians. Biosecurity in Victoria has previously been well managed with a strong record of identifying and managing risks to the agricultural production sector, however the natural environment and primary industries are facing emerging threats which bring new challenges.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The biosecurity legislative framework should be clear, transparent and simple. The proposed Biosecurity Bill 2014 will go some way to achieving this, but the Government could also update other parts of the biosecurity legislative framework—such as the Export Control Act 1982 and the Australian Meat and Live-stock Industry Act 1997.</td>
<td>Council acknowledges the key role the Department of Environment and Primary Industries (DEPI) and their role in developing policy, standards, delivery systems and services that reduces the threat of invasive plants and animals to agriculture and the natural environment, protects animals and plants from pests and diseases, enhances food safety, ensures minimal and effective chemical use, protects the welfare of animals and preserves and expands market access for Victoria's primary industries.</td>
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<table>
<thead>
<tr>
<th>The Gippsland Food Plan Priority 3. Innovation and adaptation to change, has identified biosecurity as a key issue:</th>
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</tr>
</thead>
<tbody>
<tr>
<td>'3.5 Biosecurity. Foster improved levels of biosecurity and the appropriate mitigation of risks and impacts to the economy, the environment, social amenity or human health associated with pests and diseases.’</td>
<td>'3.5 Biosecurity. Foster improved levels of biosecurity and the appropriate mitigation of risks and impacts to the economy, the environment, social amenity or human health associated with pests and diseases.’</td>
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<tr>
<th>Policy idea 23—Improving the biosecurity system:</th>
<th>Latrobe City contains a rich diversity of plants, birds and other wildlife, including fauna such as the Powerful Owl and Barking Owl, Strzelecki Koala and Tree Goanna. Grey Kangaroo, Swamp Wallaby, Wombat and Echidna are common and Platypus can be found in some of the creeks. Latrobe City extends over parts of three natural regions – separate bioregions recognised by State and Federal Government due to their unique assemblage of vegetation cover, natural physical features, climate and biodiversity.</th>
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<tbody>
<tr>
<td>Australia’s biosecurity system protects our native flora and fauna and underpins our agricultural exports. To ensure that it remains robust and resilient to new and emerging pests and diseases, stakeholders suggested the need for:</td>
<td>Council supports protection of our native flora and</td>
</tr>
<tr>
<td>a) improved information and intelligence gathering tools, supported by increased investment in high-risk areas and priority pests and diseases;</td>
<td>a) improved information and intelligence gathering tools, supported by increased investment in high-risk areas and priority pests and diseases;</td>
</tr>
</tbody>
</table>
b) enhanced onshore monitoring, including by developing reporting tools and establishing a public Biosecurity Information System to share information; and

c) collaborating with industry associations to extend traceability systems to better facilitate responses to outbreaks and expand market access.

fauna from emerging pests and disease. Council is supporting this action through its Natural Environment Sustainability Strategy, which includes, ‘Demonstrate leadership in natural environment sustainability through appropriate management of biodiversity on Council managed land, particularly bushland reserves.’

The Gippsland Food Plan Priority 3. Innovation and adaption to change, has also identified this as a key issue:

‘3.1 Climate change: resilience and adaption. Encourage adaption to climate change and greater resilience in the Gippsland food system. Assist sustainable management of natural resources through identifying, planning and promoting adaption strategies, supporting new technologies and practices and development of appropriate aides.’

Council also acknowledges Landcare in their key role in caring for the land including, sustainable farm practices; restoring native habitats and vegetation; and controlling weeds and pests; developing and sharing local natural resource management skills and knowledge.
### 11. Accessing International markets

Giving our exporters the best chance of capturing high-value markets through addressing technical barriers to trade and ensuring trade negotiations deliver real commercial benefits for the sector; and, by doing so, contributing to global food security.

#### Policy idea 24—Strengthening Australia’s overseas market efforts:

Maintaining international competitiveness requires an understanding of, and engagement with, our overseas customers and competitors. Stakeholders have called for improvements to the Government’s capacity to assist farmers to access international markets through:

- a) undertaking further trade research;
- b) improving exporter services and our understanding of overseas markets;
- c) providing more exporter readiness training;
- d) accelerating the development of technical market access and commodity strategies to prioritise market access efforts;
- e) developing national promotion efforts (such as through a national brand);
- f) increasing Australian Government positions and considering options for industry-funded positions, on the ground in foreign missions, to underpin increased focus on agricultural market access; and
- g) increasing engagement in bilateral and multilateral forums to promote use of international standards in food regulation.

Council are supportive of this policy idea, and in particular any change that improves support for establishing export arrangements. Council’s Economic Sustainability Strategy states, ‘Most Latrobe City businesses report sales (69% of sales dollars) into the municipality, with some exports to the broader Gippsland region (17%). Sales beyond Gippsland account for 14% and exports to overseas markets accounting for less than 1% of sales. This suggests majority of locally produced goods and services remain in Latrobe City and indicates an opportunity exists for increased exports to wider Gippsland, national and international markets.’

Council is supportive of expanding domestic and international markets, Council’s Economic Sustainability Strategy states, ‘Council will intensify efforts to expand domestic and international markets for local products by:

- Working in partnership with the Department of Business and Innovation (DBI) and the Department of Community Development (DPCD) to introduce business to trade and investment opportunities;
- Exploring opportunities to leverage off the international relations program;
- Developing the Gippsland Logistics Precinct, which will allow efficient and cost effective movement of freight to and from the Gippsland region.’

The Gippsland Food Plan also identifies this as a key issue, ‘Priority 1. Promoting growth and attracting investment, has identified:

1.1 Market demand and trends. Gather and disseminate information about local, national and international trends in the demand for food and related services.

1.3 Market Development. Support the identification and prioritisation of opportunities in new national and international markets in which providers of
Latrobe City also attracts significant overseas investment with current investment in the billions. There is currently a demonstrated and sustained interest in Latrobe City as a potential investment location from overseas firms. In particular, Latrobe Valley’s coal resource attracts global attention with a number of firms presenting clean coal and advanced technologies. The International Relations Team at Latrobe City Council plays a key role in assisting with the hosting of business delegations and often adds significant value in this area by working collaboratively with the Economic Development Team. Utilising our sister city relationships to contribute to economic development will continue to play a significant role in developing business opportunities with China, Japan and Asia more generally. Our long term relationships with our sister cities provides us with a level of trust and credibility when hosting Asian delegations and we will continue to leverage these opportunities as they present.

Agribusiness Gippsland’s submission to the Agricultural Competitiveness Issues Paper states, ‘Consolidation and promotion of agriculture, food and fibre-processing and related industries into one aligned and focused agribusiness sector brings critical mass. It returns Australia’s agribusiness sector to a priority for stakeholder investment, innovation and support. There is no other single step which would more effectively increase competitiveness of the sector.’

Council acknowledges the opportunities which the recent China-Australia Free Trade Agreement provides all Australian, including Gippsland Farmers. The Department of Foreign Affairs and Trade website states that China buys more of Australia’s agricultural produce than any other market. In 2013, this market was worth around $9 billion to Australian farmers and the broader agricultural sector. The Australian Bureau of Resource Economics and Sciences predicts China will account for 43 per cent of all growth world-wide in
agricultural demand to 2050.

Farming bodies in Gippsland and broader Victoria have also shown their support for Free Trade Agreements. A recent media release from the Victorian Farmers Federation stated, ‘Victorian Farmers Federation President Peter Tuohey said Australia’s FTA with China set the foundations for a Century of growth and prosperity for both nations.’

Agribusiness Gippsland’s submission to the Agricultural Competitiveness Issues Paper states, ‘AIG strongly supports Federal Government Initiatives to negotiate Free Trade Agreements that tangibly benefit Australian agribusiness and reduce trade barriers, particularly to ASEAN countries.’

Policy idea 25—Improving Australia’s export and import systems:
The Department of Agriculture provides a range of export and import certification systems and databases that enable exporters to comply with different countries’ import requirements, and domestic importers to comply with Australia’s biosecurity requirements. A review of these systems with a view to improving functionality and reducing compliance costs is seen as crucial by many stakeholders to their own cost competitiveness. These systems could also be improved by ensuring the Government’s review of biosecurity cost recovery arrangements explicitly considers export certification systems. Improving these systems with enhanced functionality through new ICT investments would enable existing exporters, as well as potential exporters exploring overseas requirements, to improve understanding of different countries’ import requirements, helping them with their access to international markets.

As per policy idea 24, Council is supportive of expanding domestic and international markets, as outlined in its Economic Sustainability Strategy, ‘Council will intensify efforts to expand domestic and international markets for local products.’

As per policy idea 22 and 23, Council is supportive of ensuring Australia’s biosecurity is maintained for the health of all Victorians and to ensure the natural environment and primary industries are protected.

As per policy idea 4, Council supports creating an enabling business environment, which supports businesses to be cost competitive and drives job creation including:

- strong leadership and clear direction;
- attractive policy setting;
- efficient and rigorous planning processes; and
- well managed natural resources.
References:

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