


# Planning for sustainable animal industries

Victorian Government's response to the Animal Industries Advisory Committee's Final report

October 2016





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# Ministers' foreword

Victoria's animal industries are significant contributors to the Victorian economy. They are major employers in regional Victoria, employing around 52,000 people (on-farm and in processing). Animal industries contribute over 60 per cent (\$8.1 billion) of Victoria's total value of agricultural production.

The Victorian Government has identified the food and fibre sector, including animal industries, as one of six key future sectors with the potential for remarkable growth. Global population growth is driving the demand for Victoria's food and fibre products, which have an excellent reputation for quality, safety, and reliability.

Victoria's planning system plays a key role in supporting the projected growth of animal industries. While economic development must be supported, growth must occur in a sustainable way to protect the long-term interests of all Victorians.

We appointed the Animal Industries Advisory Committee (AIAC) to investigate how the planning system can support animal industries in Victoria, while balancing environmental outcomes and community expectations. The AIAC has undertaken extensive consultation to develop its recommendations and the Victorian Government is committed to addressing the issues it has identified.

The AIAC has successfully identified the broad range of significant issues that have affected Victoria's farmers, local government and the community in recent years. *Planning for sustainable animal industries* is government's commitment to address these issues and to facilitate better management and growth within the sector. This document sets out our strategic direction for planning for animal industries in Victoria. Through 12 actions, the Victorian Government will balance the economic growth of animal industries with the long-term interests of all Victorians.

We thank our farmers, industry representatives, authorities, interest groups, local government and community members for their contribution to this process. We look forward to working with you to implement this strategy and facilitate the continued improvement and growth of Victoria's animal industries.



**The Hon Richard Wynne MP**  
Minister for Planning



**The Hon Jaala Pulford MP**  
Minister for Agriculture

October 2016

# Supporting growth of sustainable animal industries through the planning system

Rural and regional Victoria make a significant contribution to Victoria's economic strength and way of life. Victoria's food and fibre export opportunities are growing, which means more jobs across the entire agricultural supply chain.

The Victorian Government is committed to supporting the sustainable growth of animal industries. *Planning for sustainable animal industries* is government's commitment to ensuring this growth can occur in a way that balances the long-term interests of all Victorians.

It is our vision that:

- Victoria's animal industries continue to grow in a sustainable manner
- environmental and amenity impacts of animal industries are considered and well-managed through the planning system
- local government is supported to make well-informed decisions
- community has confidence in Victoria's animal industries.

To achieve our vision, we need to make significant changes to the way we manage animal industries through the planning system. We need to strategically plan for growth. We need to support innovation by providing expert advice in the early stages of development. Intrinsic to our vision is community acceptance of, and confidence in, Victoria's animal industries.

Much of this can be achieved by clearer regulation, rather than increased regulation. The Victorian Government recognises that better information and technical support is needed to enable better planning and decision making by investors, farmers, local government and community.

The Victorian Government will commit to 12 actions to deliver our vision. We will consult and work with industry, local government and the community to test proposed changes and implement the 12 actions.

We will focus on improving the four main stages of planning in the following ways:

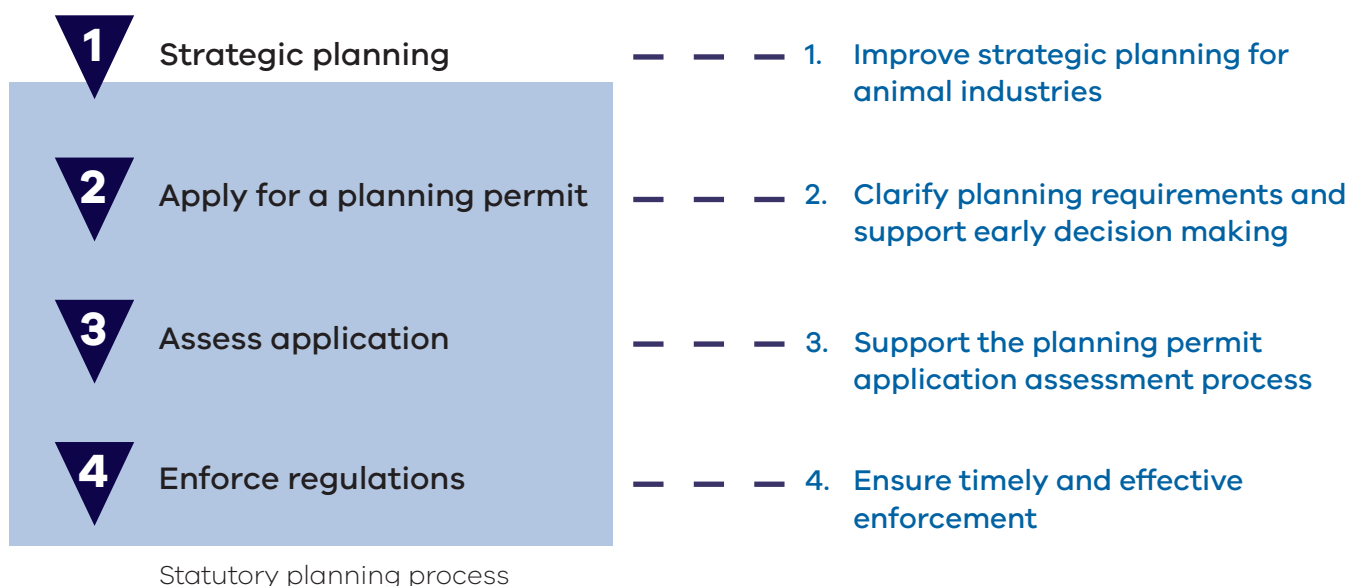


Figure 1: Improving the four main stages of planning

Table 1: The Victorian Government's 12 actions in response to the AIAC's recommendations

Our focus	Our actions	AIAC Recommendation
Improve strategic planning for animal industries	1. Support local government strategic planning by improving access to regional growth and land suitability information	3
	2. Establish an implementation reference group to facilitate continued improvement in planning for sustainable animal industries	1
Clarify planning requirements and support early decision making	3. Introduce clear land use definitions for animal industries into the <i>Victoria Planning Provisions</i>	4 – 8
	4. Take a graduated approach to planning controls based on risk	10, 11
	5. Provide early planning and development assistance through Agribusiness Development Facilitation and interactive web-based development tools	32, 33
Support the planning permit application assessment process	6. Establish a panel of animal industries specialists to provide technical support to local government	2, 30
	7. Remove the <i>1992 Piggeries Code</i> as an incorporated document in the <i>Victoria Planning Provisions</i>	12
	8. Develop a new general Code of Practice for animal industries complemented by industry-specific technical guidelines	13 – 21
	9. Develop a more consistent approach to determining separation distances for various animal industries and production systems	22 – 26
	10. Develop and make available short courses on sustainable animal industries	27
	11. Enable clear identification of water catchment areas to assist planning decisions	28
	12. Develop clear guidance to improve quality of planning permit applications, and develop model permit conditions to guide local government	29, 31
Ensure timely and effective enforcement	- Respond to the Independent Inquiry into the Environment Protection Authority (EPA) addressing EPA and local government's shared responsibility for environment protection.	35 – 37

## Timeline to deliver actions

The 12 actions can be divided into three categories:

- **Immediate actions (0-6 months):** these actions are relatively straightforward to implement and can proceed immediately, subject to targeted consultation.
- **Medium-term actions (6-12 months):** these actions are more complex to deliver and will involve broader consultation.

- **Longer-term actions (12+ months):** these actions are technically complex and require significant consultation.

All actions will commence immediately.

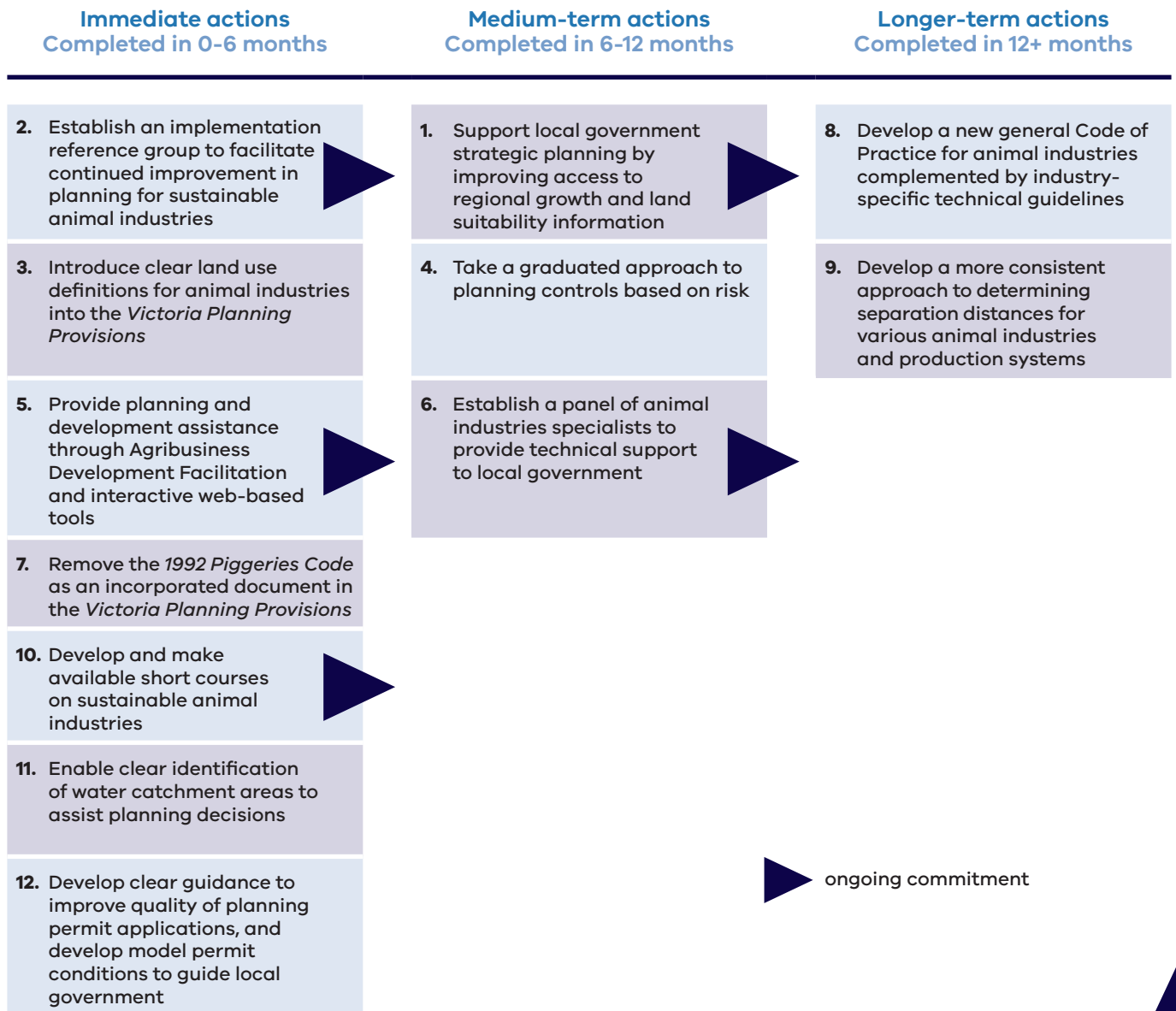


Figure 2: Timeline and actions



## Animal Industries Advisory Committee

The Victorian Minister for Planning and the Minister for Agriculture established the Animal Industries Advisory Committee (AIAC) to consider how the planning system can better support animal industries in Victoria, while balancing environmental outcomes and community expectations.

Specifically, the AIAC was asked to provide advice and present findings and conclusions on:

*The role and function of the planning system in supporting the establishment and expansion of animal industries in the context of changing industry practice to increase production, be competitive and respond to market changes.*

*The adequacy of the definition of 'intensive animal husbandry' in Clause 74 of the Victoria Planning Provisions (VPPs) and all planning schemes having regard to emerging farming systems and practices, incremental changes to existing operations over time and changing consumer preference.*

The AIAC released a discussion paper on 21 December 2015 and invited public submissions. One hundred and forty-six submissions were received. Public hearings were held in February 2016 in Melbourne, Colac, Traralgon and Bendigo. The AIAC heard from a wide variety of stakeholders, including industry groups, community groups, primary producers, animal welfare groups, and local government.

On 29 April 2016, the AIAC delivered its final report to the Victorian Minister for Planning and the Minister for Agriculture.

## Animal Industries Advisory Committee – final report

The AIAC has identified a broad range of significant issues affecting farmers, local government and the community in recent years. The solutions for addressing these issues have been categorised under six themes:

1. Planning for economic development
2. Matching production systems and definitions
3. Matching impacts and controls
4. Separating uses
5. Improving permit applications
6. Strengthening enforcement and compliance of animal industries.

The AIAC has made 37 recommendations to address these issues. These recommendations are underpinned by the following seven approaches:

1. Recognise that animal industries are an economic development driver for Victoria
2. Identify and define the known intensive animal production systems
3. Take a graduated approach to planning controls based on risk
4. Support Codes of Practice
5. Take a more sophisticated approach to separating uses
6. Ensure better applications and assessment
7. Implement better enforcement.

The report provides a platform for much needed reform in managing and growing Victoria's animal industries.



# Taking action to support sustainable animal industries

The AIAC has identified many of the planning issues that have caused significant problems for farmers, local government and the community. Government agrees with the intent of the AIAC's recommendations and acknowledges they attempt to address the identified issues.

Animal industries can have an impact on:

- surface and groundwater quality
- soil quality
- Aboriginal cultural heritage
- rural economic development (including industry reputation)
- infrastructure (e.g. roads)
- amenity.

These impacts are, in part, regulated through the planning system. The planning process is important as it ensures new developments are well located, and the environmental and amenity risks are considered and managed properly. For many years Victoria's planning system has been successful in balancing economic growth with the potential impacts listed above. However, animal industries are evolving and reform is needed.

To capitalise on strong market demand and manage declining terms of trade some farmers will need to increase production and add more value. Productivity improvements will continue to be fundamental to this endeavour, but so will new business models and production systems. Farmers will increasingly seek to generate more output and value from their land and water resources. The planning system has a role to play in ensuring this occurs in a sustainable way.

Consumer preferences are also becoming more varied, and Victoria increasingly operates in the global market. Communities are also taking a greater interest in how farms operate and are engaging in the planning process. Farmers need the flexibility to remain competitive, respond to market demands, and diversify to manage seasonal risks and an increasingly variable climate. At the same time, communities need to feel confident the planning system will reasonably assess and manage the potential risks associated with farming operations. The current planning system requires reform so innovation in farming is supported and sustainable.

Government's response to each of the AIAC's 37 recommendations is provided in Appendix 1.

In summary:

Government response	Total number	AIAC recommendation
<b>Supported</b>	19	1, 4, 5, 6, 7, 10, 11, 12, 13, 19, 20, 25, 26, 27, 28, 29, 31, 32, 33
<b>Supported in principle</b>	12	2, 3, 8, 16, 17, 18, 21, 22, 24, 35, 36, 37
<b>Further investigation required</b>	5	9, 14, 15, 23, 34
<b>Not supported</b>	1	30

# 1. Improve strategic planning for animal industries

Victoria needs to position itself to be increasingly competitive in domestic and global markets. To achieve this, the entire agriculture supply chain must be efficient. Farmers must have sufficient land to realise economies of scale, processors must be positioned in strategic locations to fully utilise their facilities, and products must be efficiently transported to market.

Strong strategic planning across Victoria will support the growth of animal industries into the future. While some councils have developed progressive strategic plans, there is a role for the Victorian Government to ensure local government has access to the information it needs to make good decisions.

## What we will do

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### 1. Support local government strategic planning by improving access to regional growth and land suitability information

Councils are best placed to develop strategic plans for their municipalities. However, the Victorian Government has a role in ensuring local government has access to information that will enable it to make evidence-based decisions regarding agricultural land. Animal industries can apply to establish in any suitable zone; however, land suitability information will facilitate decision making, strategic planning, and better investment decisions.

We will support local government to access regional growth and land suitability information to facilitate local strategic planning for animal industries.

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### 2. Establish an implementation reference group to facilitate continued improvement in planning for sustainable animal industries

Effective planning for the sustainable growth of animal industries requires coordination across state and local government, industry and community representatives.

We will establish an implementation reference group comprised of government, industry and community representatives, to facilitate the continued improvement in planning for sustainable animal industries.

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## 2. Clarify planning requirements and support early decision making

Farmers, local government and the community need greater clarity around when a planning permit is required, and confidence that Victoria's regulatory controls are commensurate with the potential risks.

The generic land use term for intensive animal husbandry does not adequately address the complex land use considerations of various

animal industries. Environmental and amenity impacts vary across, and within, animal industries. Reform requires:

- differentiating animal industries by developing separate land use definitions; and
- tailoring planning regulations within animal industries according to the impacts of various production systems.

### What we will do

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#### 3. Introduce clear land use definitions for animal industries into the *Victoria Planning Provisions*

Providing specific land use definitions for different animal industries will make the planning system easier to use and understand.

We will amend the *Victoria Planning Provisions* to define new land use terms for the major animal industries, clarify the land use definitions for 'extensive animal husbandry' and 'intensive animal husbandry', and update the Table of Uses in zones to reflect changes to land use definitions. These amendments will closely align to the AIAC's suggested land use terms and recommended Table of Uses.

The AIAC's omission of a separate definition for dairy is a gap and will lead to problems in the near future. Therefore, we will investigate potential off-site impacts of intensive dairy farming production systems and recommend definitions for the production systems that require regulation through the planning system.

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#### 4. Take a graduated approach to planning controls based on risk

The AIAC noted intensive land uses could differ in scale and nature, yet the planning requirements were uniform. Applying the same planning requirements to all scales of animal industries could result in over regulation of smaller operations and may not be warranted.

We will develop risk-based planning controls to recognise the variability of impacts within animal industries.

We will ensure planning requirements are commensurate with the size, location, scale and expected impacts of various production systems.

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#### 5. Provide planning and development assistance through Agribusiness Development Facilitation and interactive web-based development tools

The planning application process can be complex and time consuming. It is difficult to find and interpret the range of regulatory requirements that might apply to an animal industry.

The Victorian Government's recently launched **Agribusiness Development Facilitation** model provides support to investors to navigate the development approval process. Food and fibre specialists help investors find the right location, get their planning application ready, and provide ongoing guidance throughout the development approval process. The Agribusiness Development Facilitation model provides a single access point to relevant information and a pathway into a coordinated case management service.

The Victorian Government's **Navigating Dairy Development** prototype is an interactive web-based tool that provides detailed regulatory and Code of Practice information for six different dairy development types.

We will extend the Navigating Dairy Development tool to other animal industries and development types.

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# 3. Support the planning permit application process

Planning applications for animal industries can be highly technical and time consuming to assess. The Victorian Government will improve the planning permit application process by making it more efficient, consistent and certain. This will be achieved by providing local government with more technical support to enable it to make informed

decisions. Current best practice standards to establish and operate a range of animal industries will be identified through a general Code of Practice and industry-specific technical guidelines. Investors will be provided with clear guidance on what information they need to provide when submitting a planning application.

## What we will do

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### 6. Establish a panel of animal industries specialists to provide technical advice to local government

The Victorian Government has sought an efficient way to provide technical support to local government in assessing applications, while not introducing unnecessary regulatory burden.

We will establish a panel of animal industries specialists who can provide technical advice to local government when assessing planning applications.

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### 7. Remove the 1992 Piggeries Code as an incorporated document in the Victoria Planning Provisions

The 1992 Piggeries Code has not been reviewed since it was introduced 24 years ago and does not reflect emerging farming systems or current industry best practice.

We will remove the 1992 Piggeries Code as an incorporated document in the Victoria Planning Provisions.

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### 8. Develop a general Code of Practice for animal industries complemented by industry-specific technical guidelines

The animal industries sector is experiencing rapid change in terms of intensity, scale, technology, and management techniques. A general Code of Practice supported by technical guidelines and a risk management operational framework is needed to ensure environmental and community amenity issues are managed properly.

We will develop a general Code of Practice for animal industries that will set out general principles applicable to the planning and operation of a range of animal industries. The general Code of Practice for animal industries will be reviewed periodically.

We will work with industry and local government to co-develop industry-specific technical guidelines, utilising, where possible, existing national industry guidelines. These will detail the planning, design, construction, operation and management requirements for each relevant animal industry.

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### 9. Develop a more consistent approach to determining separation distances for various intensive animal industries and production systems

Population growth is resulting in urban encroachment on traditional agricultural land and competing uses of peri-urban areas. For agriculture to continue to be a vital part of Victoria's economy and for the wellbeing of Victorians, impacts of animal industries on sensitive uses need to be appropriately managed. Separation distances aim to create an appropriate distance around animal industries to minimise amenity or environmental impacts.

We will examine separation distances for a range of intensive animal industries and the methodologies used to determine them.

We will analyse the common and unique impacts of various animal industries and production systems, and review their mitigation and management strategies.

We will seek to develop a more transparent and consistent approach to the use and determination of separation distances.

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## 10. Develop and make available short courses on sustainable animal industries

Planning applications for animal industries can be highly technical and difficult to assess. For councils who do not often receive applications for animal industries, assessing such applications can cause a significant strain on resources, and complicate the process for investors.

Local government planners require more support and training on the controls over farming operations and strategic rural planning matters.

We will develop and make available short courses to help local government planners understand animal industries and the planning regulations that support them.

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## 11. Enable clear identification of water catchment areas to assist planning decisions

Information about 'Declared potable water catchment areas' is of critical importance in assessing some applications, yet it is not consistently available. In addition, the catchments listed in Appendix 2 of the *Feedlot Code* are out of date and cause confusion.

We will investigate this issue and make the relevant information more available. This information will assist local government to assess applications and identify appropriate referral authorities.

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## 12. Develop clear guidance to improve quality of planning permit applications, and develop model permit conditions to guide local government

There is little guidance to farmers and local government in regards to what information to provide in a planning application for a new use, or change in use, of land. This can cause significant time delays in progressing applications.

We will develop planning permit application requirements so it is clear to both farmers and local government what information is required to support certain planning applications.

A suite of model permit conditions would provide a prompt for local government planners as they draft permits and would promote a more consistent approach for animal industry permits.

We will develop model permit conditions to address common issues for animal industries and include them in the *Writing Planning Permits* standard conditions manual.

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## 4. Ensure timely and effective enforcement

A clear and cohesive enforcement framework for the Environment Protection Authority (EPA) and local government is necessary to ensure timely and effective enforcement of animal industries.

Councils have clear responsibilities under the *Planning and Environment Act 1987* to enforce planning schemes and the planning permits they issue. The EPA is responsible for enforcing and prosecuting pollution and discharges to land, air and water under its enabling legislation and policies. The EPA and local government share responsibility for small-scale pollution response, with councils acting under the provisions of the *Public Health and Wellbeing Act 2008* relating to nuisance.

The AIAC received submissions that the overlapping controls and responsibilities for enforcement can create difficulty in determining who is the responsible agency to act on an issue, which can result in inaction or reluctance to take

enforcement action. Similar issues have also been raised through the recent Independent Inquiry into the EPA.

The Inquiry, which commenced in June 2015, examined the EPA's role, powers, governance and funding, and tools. In particular it focussed on the shared responsibility of local government and the EPA to protect the environment. The Inquiry concluded on 31 March 2016 when the Ministerial Advisory Committee delivered its report to the Minister for Environment, Climate Change and Water. It included recommendations to establish a statewide network of local government environment protection officers to better address the shared responsibility for environment protection. Government is currently preparing a response to the Inquiry for release later in 2016, which will address many of the enforcement issues raised by the AIAC.

# Further investigation required

The AIAC has made a number of recommendations that require further investigation. The Victorian Government acknowledges the issues these recommendations attempt to address. However, government has concerns over the proposed methods to address these issues. The Victorian Government will consult with key stakeholders, including the implementation reference group, to investigate these recommendations. They will be addressed as longer-term actions (12+ months).

## **Define 'Rural feed mill' and 'Farm-based composting' as separate uses and require a permit for them in rural zones.**

The Victorian Government does not support defining 'Rural feed mill' and 'Farm-based composting' as separate uses that require a permit. However, we will investigate the nature and extent of issues arising from these activities to determine whether they need to be managed further.

## **Parliament approve or ratify the Victorian Code for Broiler Farms 2009 and the Victorian Code for Cattle Feedlots and approve or ratify new codes as they are introduced.**

The AIAC has found that there is the potential for farmers to intensify their operations under existing use rights and avoid the application of more recent planning controls, including Codes of Practice. The AIAC's recommendation for ensuring that the same rules apply to both new and existing operations that intensify under existing use rights cannot be implemented without legislative change.

The Victorian Government acknowledges the potential for off-site impacts resulting from extensive animal husbandry uses intensifying under existing use rights. We will investigate the nature and extent of the issues raised by the AIAC and the full range of options for managing potential off-site impacts that may arise as a result of uses intensifying under existing use rights.

## **Require a permit for new dwellings in the Farming Zone.**

The Victorian Government recognises new dwellings in the Farming Zone can encroach upon farming operations, which can limit farmers' options to expand or change their land use.

We will investigate the costs, benefits, and practical implementation of this recommendation, along with other potential ways to address the issues raised by the AIAC. This will be considered as government develops a more consistent approach to determine separation distances for various intensive animal industries and production systems.

## **Develop processes to provide for certification of Code of Practice compliance by a recognised third party, to assist local government planners and facilitate timely planning decisions for code-compliant applications.**

The objective of achieving efficient application assessment and timely decisions is an important outcome of *Planning for sustainable animal industries*.

We will investigate the need for third party certification in the permit application process as we develop a new general Code of Practice for animal industries complemented by industry-specific technical guidelines.



# Appendices

## Appendix 1: Victorian Government's response to the Animal Industries Advisory Committee's 37 recommendations

**Recommendation 1** – Establish high level working group with a mix of government, industry and community representatives to facilitate continued improvement in the sector, finalise changes to the planning schemes, set framework for developing Codes of Practice, and develop model planning conditions.

### SUPPORTED

Government will establish an implementation reference group to facilitate continued improvement in planning for sustainable animal industries. This will include a mix of government, industry and community representatives.

**Recommendation 2** – Support a program of council-based farm liaison officers.

### SUPPORTED IN PRINCIPLE

There is a need to provide additional support to local government when assessing planning permit applications. However, council-based farm liaison officers may not be the most effective and efficient way to address this issue. The Victorian Government will establish a panel of animal industries specialists to provide technical support to local government.

**Recommendation 3** – DEDJTR, with regional groups of councils, to prepare development strategies for intensive farming, identifying suitable and unsuitable areas for intensive animal industries.

### SUPPORTED IN PRINCIPLE

The Victorian Government acknowledges the successful strategic planning that has been undertaken by a number of councils to support the growth of intensive animal industries. Government will support local government strategic planning by improving access to regional growth and land suitability information. This support will be driven by emerging industry interest, and local government and regional stakeholders' need for strategic planning.

**Recommendation 4** – Define land use terms for the current known intensive animal production systems, as shown in Appendix C, including:

- all egg, poultry breeder, poultry hatcheries and poultry meat farms
- all pig farms whether pigs are housed or allowed to free range outdoors
- cattle, sheep and goat feedlots.

### SUPPORTED

It is clear the current land use definitions for animal husbandry operations are no longer adequate. The Victorian Government will introduce clear land use definitions for animal industries into the Victoria Planning Provisions so the risks associated with various industries are managed appropriately.

The Victorian Government broadly supports the proposed changes. However, the omission of a separate definition for dairy is a gap and will lead to problems in the near future. The Victorian Government will work with the dairy industry to assess the off-site impacts of intensive production systems and identify the specific production systems that should require a planning permit.

**Recommendation 5** – Update Table of Uses in zones to include new land use definitions as Section 2 uses (permit required) in the Farming Zone, Rural Activity Zone and Green Wedge Zone until contemporary Codes of Practice are developed.

### SUPPORTED

The Table of Uses will be updated so that the new land use terms, other than extensive animal husbandry, are included as Section 2 uses (permit required).

**Recommendation 6** – Change the definition of extensive animal husbandry.

**Recommendation 7** – Change the definition of intensive animal husbandry.

### SUPPORTED

The term 'most food' is ambiguous and has been interpreted inconsistently across local government. The Victorian Government notes the need for improved clarity and will consult with stakeholders in recommending definitions for extensive and intensive animal husbandry. It should be noted that as separate land use definitions will be introduced for the major animal industries (see Recommendation 4), the definition for intensive animal husbandry will only apply to intensive uses not already captured by another definition.

The Victorian Government will introduce clear land use definitions for animal industries into the Victoria Planning Provisions.

**Recommendation 8** – Make intensive animal husbandry a Section 2 use (permit required) in industrial zones.

#### SUPPORTED IN PRINCIPLE

The Victorian Government supports the growth of a diverse range of animal industries and agrees that animal industries with negligible off-site impacts should be able to operate in industrial zones, subject to appropriate assessment through a permit application process. The Victorian Government will analyse the suitability of allowing certain animal industries in industrial zones.

**Recommendation 9** – Define ‘Rural feed mill’ and ‘Farm-based composting’ as separate uses and require a permit for them in rural zones.

#### FURTHER INVESTIGATION REQUIRED

The Victorian Government encourages the practice of farm-based composting when it does not create a risk to the environment and human health, as it reduces the waste stream and allows farmers to retain this nutrient value on site. The Victorian Government will further investigate the nature and extent of the issue raised by the AIAC and options for managing potential adverse off-site effects from these ancillary activities.

**Recommendation 10** – Adopt a graduated approach to the application of planning provisions to intensive animal industries that categorises them according to risk.

**Recommendation 11** – Revise the table of uses of each of the rural, industrial and flood zones to adopt a graduated approach to the application of planning provisions to intensive animal industries commensurate with the purpose of the zone.

#### SUPPORTED

The Victorian Government supports a graduated approach to the application of planning provisions and notes the AIAC’s examples of how this may be done. The Victorian Government will develop a graduated approach to planning controls based on risk.

**Recommendation 12** – Remove the 1992 Piggeries Code as an incorporated document.

#### SUPPORTED

The 1992 Piggeries Code is no longer relevant therefore will be removed as an incorporated document in the VPPs.

**Recommendation 13** – Include a new clause in the VPPs listing incorporated codes and relevant national industry standards to be used to guide decisions, and:

- include at least the relevant national guidelines for pigs and for cattle feedlots
- refer to this clause in the decision guidelines in the Farming Zone, Rural Activity Zone and Green Wedge Zone.

#### SUPPORTED

Local government requires access to advice and standards to better assess animal husbandry permit applications. In accordance with Recommendation 19 below, the Victorian Government will adopt or reference national standards and codes in Victoria’s general Code of Practice and decision guidelines in planning schemes where they meet Victoria’s needs.

**Recommendation 14** – Parliament approve or ratify the Victorian Code for Broiler Farms 2009 and the Victorian Code for Cattle Feedlots pursuant to the Planning and Environment Act 1987, and approve or ratify new codes as they are introduced.

**Recommendation 15** – Amend Clause 63.07 of the VPPs to list the date when relevant codes were approved or ratified.

#### FURTHER INVESTIGATION REQUIRED

The Victorian Government acknowledges:

- the potential for significant off-site impacts resulting from animal husbandry uses intensifying under existing use rights without having to comply with current planning scheme requirements (including Codes of Practice)
- the AIAC’s recommendation that those existing use rights be regulated by the Codes of Practice through Section 6(4A) of the Planning and Environment Act 1987 (the Act).

There is no relevant Act under which a Code of Practice can be approved or ratified by Parliament for the purpose of Section 6(4A) of the Act. Before considering potential legislative change, the Victorian Government will investigate the range of options for managing potential off-site impacts that may arise as a result of uses intensifying under existing use rights.

**Recommendation 16** – Develop a consistent approach for drafting Codes of Practice that includes the following elements:

- Location, siting and sizing, including separation distances from sensitive uses where necessary
- Proximity to and impact on waterways
- Farm design, layout and construction
- Traffic, site access, on-farm roads and parking
- Landscaping
- Waste management
- Farm operation and management
- Animal welfare requirements where these impact on the physical layout of the operation, by reference to relevant regulations, animal welfare standards or model animal welfare codes applying in Victoria
- Criteria for the categorisation of intensive animal industries as full-scale, full-scale contained, mid-scale, or small-scale.

**Recommendation 17** – Develop a consistent approach to drafting Codes of Practice that presents objectives, standards and approved measures for each element, and allows alternative measures as long as the applicant can demonstrate the objectives and standards can still be met with equivalent or superior performance.

**Recommendation 18** – Develop performance-based Codes of Practice with prescriptive standards for all intensively farmed livestock. As a minimum the codes should apply to:

- all egg, poultry breeder, poultry hatcheries and poultry meat farms
- all pig farms whether pigs are housed or allowed to free range outdoors
- cattle, sheep and goat feedlots
- supplementary feeding of sheep, cattle and goats that falls short of being a feedlot.

#### SUPPORTED IN PRINCIPLE

There is a need for the Victorian Government to set minimum standards and requirements that must be met for animal industries in Victoria. The Victorian Government will develop a new general Code of Practice for animal industries complemented by industry-specific technical guidelines. This work will include consideration of quality assurance schemes (Recommendation 21); and certification of Code of Practice compliance (Recommendation 34). The general Code of Practice will be incorporated into planning schemes.

**Recommendation 19** – Adopt or reference national standards and codes where these meet Victoria's standards.

#### SUPPORTED

Local government requires access to advice and standards to better assess animal husbandry permit applications. National industry guidelines outline best practice and up-to-date standards. The Victorian Government will identify those National Guidelines that best inform planning decisions.

**Recommendation 20** – Incorporate Codes of Practice into planning schemes.

#### SUPPORTED

The Victorian Government will develop a new general Code of Practice for animal industries complemented by industry-specific technical guidelines, which will be incorporated into planning schemes.

**Recommendation 21** – Formally recognise industry quality assurance programs that adopt all relevant elements of a Victorian Code of Practice and are independently (third party) audited. Extend this to recognising audits as evidence of code compliance.

#### SUPPORTED IN PRINCIPLE

There is a recognised need for greater compliance and ongoing monitoring of some animal husbandry operations. Industry-based compliance programs

may be of benefit. Quality assurance programs are available for cattle feedlots, broiler farms and piggeries, but less so for other animal husbandry operations. This recommendation will be investigated further as government develops a new general Code of Practice for animal industries complemented by industry-specific technical guidelines.

**Recommendation 22** – Extend the simplified planning processes that apply when separation distances are contained on the applicant's land to cases where an agreement has been reached with adjoining landowners.

#### SUPPORT IN PRINCIPLE

The Victorian Government encourages producers to engage early with neighbouring landowners when developing an animal husbandry operation. A simplified planning process may provide an incentive for producers to engage neighbours early in the process of developing their proposal.

The Victorian Government will further investigate how best to implement this recommendation to provide certainty to applicants and their neighbours, when we develop a graduated approach to planning controls based on risk.

**Recommendation 23** – Require a permit for new dwellings in the Farming Zone:

- For land that currently meets minimum requirements for a dwelling, make the sole decision criterion the need to provide separation distances from intensive animal husbandry operations
- Provide flexibility on the location of the dwelling so it can be located on other land within a larger farm holding by way of a 'transferrable development right'

#### FURTHER INVESTIGATION REQUIRED

The Victorian Government acknowledges the AIAC's finding that new dwellings that can establish without a permit in the Farming Zone have the potential to restrict the development of farming operations on adjoining land. Government agrees that animal husbandry producers and their rural neighbours require certainty and security. A better way of ensuring that new dwellings do not limit the growth of animal industries is required.

The Victorian Government will further investigate the practical implementation of the AIAC's recommended approach, along with other potential ways of addressing the issues identified by the AIAC. This will be considered as the Victorian Government develops a more consistent approach to determining separation distances for various intensive animal industries and production systems.

**Recommendation 24** – Develop a standard methodology for determining separation distances of different production systems as part of developing a consistent approach to drafting Codes of Practice that:

- includes minimum separation distances to sensitive uses
- includes a minimum setback from boundaries for intensive animal operations

- makes the separation distance proportional to the square root of the number of animals
- bases the separation distance on the impact on a single rural dwelling
- clarifies whether the separation distance should be increased to require greater separation from towns and settlements
- accounts for different design and management approaches typical in the production system
- sets adjustment factors which increase or decrease separation distance based on terrain, wind direction and vegetation cover.

#### **SUPPORTED IN PRINCIPLE**

The Victorian Government will develop a more consistent approach to determining separation distances for various intensive animal industries and production systems.

**Recommendation 25** – Include a new specific clause in the VPPs, or an incorporated document, setting out the methodology for separation distances and separation distances for specific production systems.

**Recommendation 26** – Include separation distances in Codes of Practice.

#### **SUPPORTED**

The Victorian Government will develop a more consistent approach to determining separation distances for various intensive animal industries and production systems.

**Recommendation 27** – Develop and make available a short course through the PLANET program on strategic rural planning matters, applying the animal industries codes and case studies as a collaboration between DEDJTR, DELWP, EPA and the VFF.

#### **SUPPORTED**

The Victorian Government will develop and make available short courses on sustainable animal industries through the PLANET program or another suitable training provider.

**Recommendation 28** – Include Declared Potable Water Catchment areas and the catchments listed in Appendix 2 of the Victorian Code for Cattle Feedlots on property reports through the Victorian Government Land Channel.

#### **SUPPORTED**

The Victorian Government will enable clear identification of water catchment areas to assist planning decisions.

**Recommendation 29** – Include application requirements in the Farming Zone, Rural Activity Zone, and Green Wedge Zone for the use of land for intensive animal husbandry, animal keeping and rural industry and for buildings and works, to improve the quality of planning permit applications and reduce the need for further information.

#### **SUPPORTED**

A consistent theme of the AIAC's recommendations is the need to provide clarity for farmers, local government and the community. Clearly outlining what the expectations are for planning permit applications will greatly improve the quality of planning permit applications and reduce the need for further information requests. The Victorian Government will develop clear guidance to improve the quality of planning permit applications, and develop model permit conditions to guide local government.

**Recommendation 30** – List Agriculture in Clause 66.02 of the VPPs and make the Minister for Agriculture a determining referral authority and the EPA, water authorities and catchment management authorities recommending referral authorities for intensive animal production systems that require a planning permit.

#### **NOT SUPPORTED**

The Victorian Government is committed to supporting local government to make good decisions in respect to animal husbandry operations. Making the Minister for Agriculture a determining referral authority will increase regulatory burden.

To better support local government, the Victorian Government will:

- provide planning and development assistance through Agribusiness Development Facilitation and interactive web-based development tools
- establish a panel of animal industries specialists to provide technical support to local government
- develop a new general Code of Practice for animal industries complemented by industry-specific technical guidelines
- develop a more consistent approach to determine separation distances for various intensive animal industries and production systems
- develop and make available short courses on sustainable animal industries
- enable clear identification of water catchment areas to assist planning decisions
- develop clear guidance to improve quality of planning permit applications, and develop model permit conditions to guide local government.

It is important that relevant agencies are consulted when assessing, approving and permitting animal husbandry operations.

It is noted that water supply authorities and catchment management authorities are already referral authorities for applications in Special Water Supply Catchment Areas and designated flood prone areas. The Victorian Government will consult these authorities in the development of a new general Code of Practice. If this work identifies that further specialist or technical advice is necessary for the responsible authority to properly assess and decide particular kinds of permit applications, further consideration will be given at that time to including additional referral requirements.



Currently the EPA is a referral authority for anything requiring a Works Approval under the *Environment Protection Act 1970*. This means that only large agricultural developments with a significant environmental risk are referred. Other proposals are referred to the EPA at the discretion of the planning officer. The EPA's efforts are best invested in working with planning officers to identify the types of proposals where EPA advice should be sought, and in developing standard advice for suitable planning conditions to help protect the environment.

The Independent Inquiry into the EPA, completed in March 2016, makes a number of recommendations relating to the EPA's role in land-use planning. It also recommends the cohort of activities requiring a works approval or licence from EPA be expanded to include activities with significant impacts on human health and the environment. This could encompass a wider range of intensive agriculture systems. Government is currently considering the inquiry recommendations, and will release a response later in 2016.

**Recommendation 31** – *Develop model permit conditions to address common issues for intensive animal husbandry and include them in the 'Writing Planning Permits' standard conditions manual to assist decision makers.*

#### **SUPPORTED**

Model conditions would provide a prompt for planners as they draft permits and would promote a more consistent approach for animal husbandry permits. The Victorian Government will *develop clear guidance to improve the quality of planning permit applications, and develop model permit conditions to guide local government.*

**Recommendation 32** – *Make more information available online to assist farmers, members of the public and responsible authorities and referral authorities.*

#### **SUPPORTED**

The Victorian Government recognises the need for more information on animal husbandry operations. Launched in 2016, an *Agribusiness Development Facilitation* is a new Victorian Government initiative that provides support to investors to navigate the development approval process ([www.rdv.vic.gov.au/investment-and-trade/agribusiness-facilitation](http://www.rdv.vic.gov.au/investment-and-trade/agribusiness-facilitation)). *Agribusiness Development Facilitation* provides a single access point to relevant information and a pathway into a coordinated case management service.

The Victorian Government's Navigating Dairy Development prototype is an interactive web-based tool that provides detailed regulatory and Code of Practice information for six different dairy development types.

Government will build on *Agribusiness Development Facilitation* and the Navigating Dairy Development prototype to *provide planning and development assistance through Agribusiness Development Facilitation and interactive web-based development tools.*

**Recommendation 33** – *Develop an online planning portal to provide a whole-of-Victorian-Government 'one-stop-shop' for access to information on animal husbandry-related planning provisions, that includes:*

- *guidance on what the intensive animal husbandry definition means in terms of stocking rates for different conditions to provide a quick guide as to whether particular uses are likely to be intensive or extensive*
- *relevant Codes of Practice, standards and requirements*
- *a tool for 'pre-application' self-assessment against codes and standards*
- *links to other relevant Victorian Government agencies*
- *links to relevant industry quality assurance schemes that adopt Victorian codes or standards.*

#### **SUPPORTED**

Providing an online platform for planning and development assistance for animal industries will be an effective way to simplify and speed up the planning permit process. It will also clarify expectations and requirements in the initial development of an animal husbandry operation. The Victorian Government will *provide planning and development assistance through Agribusiness Development Facilitation and interactive web-based development tools.*

**Recommendation 34** – *Develop processes to provide for certification of Code of Practice compliance by a recognised third party, to assist council planners and facilitate timely planning decisions for code-compliant applications.*

#### **FURTHER INVESTIGATION REQUIRED**

The need for third-party certification in the permit application process will be further investigated as the Victorian Government *develops a new general Code of Practice for animal industries complemented by industry-specific technical guidelines.* The Victorian Government considers the objective of achieving efficient application assessment and timely decisions will be an important outcome of *Planning for sustainable animal industries.*

**Recommendation 35** – *Release EPA complaint data to councils to allow councils to incorporate any relevant complaint data into monitoring or enforcement proceedings.*

#### **SUPPORT IN PRINCIPLE**

EPA will continue to make complaint data about specific facilities available to local government on request. However, EPA will continue to comply with the *Privacy and Data Protection Act 2014* in the provision of such data to protect personal information of individuals. In the future EPA will be improving the transparency of complaint data by better utilising geospatial mapping tools to show complaint 'hotspots' on its website.

**Recommendation 36** – The EPA establish a protocol for delegating certain powers to council environmental health officers to allow council officers the opportunity to conduct enforcement actions.

#### SUPPORT IN PRINCIPLE

The EPA Inquiry recommends an expanded environment protection role for councils through a new statewide network of local government authorised environment protection officers. The inquiry recommends these officers be appropriately authorised under the *Environment Protection Act 1970*, with oversight and support from the EPA. Government is currently considering all recommendations of the inquiry and will release its response later in 2016.

**Recommendation 37** – Ensure EPA has appropriate capacity to conduct enforcement action where needed.

#### SUPPORT IN PRINCIPLE

Enforcement action by the EPA will continue to be based on risk to the environment and human health. The EPA Inquiry recommends strengthening the EPA's ability to hold polluters to account under the *Environment Protection Act 1970*, including through development of a prosecution strategy, modernisation of authorised officer inspection and enquiry powers and assessing the EPA's capability. The inquiry also recommends a more strategic role in land-use planning for the EPA and an increased focus on prevention. The Victorian Government will release its response to the inquiry later in 2016.



## Appendix 2: Importance of animal industries to the Victorian economy

Victoria's animal industries are significant contributors to the Victorian economy. They are major employers in rural and regional Victoria, employing around 52,000 people (on farm and in processing)<sup>1</sup>. Animal industries contribute over 60 per cent (\$8.1 billion) of Victoria's total value of agricultural production<sup>2</sup>.

### Dairy

In 2014-15 there were 4,127 dairy farms in Victoria employing over 12,800 people. Most farms are spread across the south west, northern Murray region and Gippsland. In 2014-15 the average farm herd size was about 272 cows, totalling about 1.1 million dairy cows in Victoria. Most cows are Holstein or Jersey breeds and are fed a combination of pastures and supplementary feed. Victoria dominates the Australian dairy industry, producing almost 66 per cent or 6.4 billion litres of Australia's total milk in 2014-15. This equates to a milk production value of about \$3 billion<sup>3</sup>.

### Beef cattle

The beef cattle industry is Victoria's most geographically extensive industry. Production occurs across most parts of the state, but is more concentrated in the Western District, Gippsland, Ovens Murray and Goulburn regions. In 2014-15 there were over 8,000 specialised beef farms in Victoria<sup>4</sup>. In 2011 there were about 8,000 people employed in beef farming, and a further 7,000 people were employed in mixed farming operations that include beef farming, and further 9,000 people employed in the meat processing industry<sup>5</sup>. In Victoria, there are 21 licensed abattoirs supervised by PrimeSafe with a further 18 licensed abattoirs supervised by the Australian Government's Department of Agriculture and Water Resources. Four of these businesses are located in Melbourne with the rest located in regional centres, including Cobram, Warrnambool, Bairnsdale and Colac<sup>6</sup>.

Victoria has 2.3 million beef cattle<sup>7</sup>. Most of these animals are managed on grass-fed pastures, with around six per cent of the herd managed from feedlots. The average farm size is now around 350 hectares, a trend which has been moving upwards since the 1960s<sup>8</sup>. Victoria is Australia's third largest beef cattle industry valued at over \$2 billion in 2014-15<sup>9</sup>. Production has been trending upwards with beef and veal meat production increasing by almost 96,000 tonnes to 459,100 tonnes over the past four years<sup>10</sup>.

### Sheep and wool

In 2014-15 there were over 10,000 farms in Victoria that conduct some form of sheep farming<sup>11</sup>. In 2011 there were 5,000 people employed directly in the industry with a further 7,000 employed in sheep-beef, sheep-grain or beef-grain farming enterprises<sup>12</sup>. Most of these farms are located in north west Victoria, however the largest concentration is in the Warrnambool area. In 2014-15 the value of sheep production in Victoria was over \$1.3 billion and the value of wool production was \$667 million<sup>13</sup>. Victoria is one of Australia's largest lamb producing states, producing over 207,000 tonnes of lamb - 44 per cent of Australia's total lamb production in 2013-14<sup>14</sup>.

### Chicken meat

The chicken meat industry is vertically integrated with companies often owning facilities across the supply chain. Chicken meat production can occur under a number of production systems, including conventional sheds, free-range and organic, giving consumers greater choice.

Production is located primarily in the areas of Geelong, Bendigo and the Mornington Peninsula. Breeding farms are generally separate from broiler farms to reduce biosecurity risks. They are mainly located in the Port Phillip, Barwon, Loddon and Goulburn areas.

1 ABS 2011 census data

2 ABS Value of Agriculture Commodities Produced 2014-15

3 Dairy statistics from Dairy Australia's Industry in Focus 2015, except dairy employment estimate from EconSearch 2016 report on the economic impact of dairy in Victoria in 2014-15 (unpublished)

4 ABS Agricultural Commodities 2014-15

5 ABS 2011 census

6 DEDJTR Beef Industry Profile 2014

7 ABS Agricultural Commodities 2014-15

8 Australian Lot Feeders Association, ALFA/MLA Feedlot Survey & ALFA Media Release 25 November 2013

9 ABS Value of Agriculture Commodities Produced 2014-15

10 DEDJTR Beef Industry Profile 2014

11 ABS Agricultural Commodities 2014-15

12 ABS 2011 census data

13 ABS Value of Agriculture Commodities Produced 2014-15

14 DEDJTR Sheep Industry Profile 2014



Around 225 farmers are contracted to grow meat chickens on behalf of processors in Victoria. Around 1,200 people are employed on poultry farms in Victoria and over 3,600 in the manufacturing of poultry products in Victoria.

Victoria is one of the largest producers of chicken meat in Australia, producing 243,000 tonnes in 2013-14, accounting for 22 per cent of the national production of around 1 million tonnes. In 2014-15, the total chicken meat industry-related gross state product in Victoria was an estimated \$935 million, with \$423 million directly generated by the chicken meat industry<sup>15</sup>.

## Eggs

Victoria's chicken egg production is located predominantly in south-western and south-eastern parts of Victoria close to Melbourne and in central Victoria close to the major highway to Sydney. Egg farms are usually located near to feed sources and key markets.

Since Victoria removed statutory marketing arrangements for eggs in 1993, production has become more concentrated, with a few large producers and many small and medium sized producers. Over the 10 years to 2012-13, the number of farms in Victoria where the primary activity is the production of eggs declined from 118 to 73. Farm Pride is now the largest commercial egg supplier in Victoria and the second largest in Australia.

In 2014-15 Victoria produced approximately 69 million dozen eggs with a gross value of \$150 million, from a flock of around 4.6 million birds.

In the past decade, egg products have become increasingly differentiated by production methods – caged, free range or barn-laid eggs – creating opportunities for growers and egg companies and increasing choices for consumers.

Most eggs produced in Victoria are consumed domestically. While price remains the key influence (with caged eggs the cheapest), barn-laid and particularly free range eggs have grown their share of the market in response to consumer perceptions and attitudes towards animal welfare. Caged eggs make up around 54 per cent of sales in the supermarket sector, with barn-laid eight per cent, free range 37 per cent and organic one per cent<sup>16</sup>.

## Other livestock

Victoria's 'other livestock' industries predominantly involve the production of pigs, goats and deer. In 2014-15, there were about 3,100 commercial farms with 'other livestock'<sup>17</sup>.

In 2011 there were approximately 632 businesses involved in goat production in Victoria, holding approximately 38,806 head. Around 55 per cent of Victoria's goat production occurs in the Gippsland, East Gippsland and Goulburn areas with Barwon and the peri-urban areas of outer Melbourne producing about 22 per cent.

In September 2016 there were 535 pig farm enterprises with a total of 512,000 pigs. Pig farm enterprises are mostly concentrated in the Loddon, Goulburn, Wimmera and Mallee regions. Pig farming in Victoria is comprised of a small number of different production systems ranging from small free-range farms through to large conventional piggeries. Around 75 per cent of breeding sows can be found on large commercial farms with more than 501 sows. The largest farms account for over 90 per cent of the Victorian sow herd<sup>18</sup>.

In 2014-15, the value of livestock other than sheep, cattle and poultry slaughtered in Victoria was about \$322 million<sup>19</sup>. Most meat produced by this industry is consumed by the domestic market. Interest in pork, chevron (goat meat) and venison has increased in recent years. Although Australians have increased their per capita consumption of pork over a number of years, imported processed pork products have taken an increasing share of the Australian pork market. This is largely due to the cost competitiveness of imported product, which is not restricted by quarantine restrictions as most pig meat is processed product (e.g. ham and bacon). Other meat industries face little competition from imports mainly due to quarantine restrictions on fresh meat product (which is the largest component of red meat) and low demand for other processed products<sup>20</sup>.

15 Chicken meat statistics from DEDJTR Chicken Industry Profile 2014, except for employment estimates which are from RMCG 2016 report on the economic value of Victoria's chicken meat industry (unpublished).

16 Chicken egg statistics are from the DEDJTR Egg Industry Profile 2014, except statistics on the number of eggs produced, and their value in 2014-15 which is from ABS Agricultural Commodities 2014-15 and Value of Agriculture Commodities Produced in 2014-15.

17 ABS Agricultural Commodities 2014-15

18 Australian Pork Limited 2016

19 ABS Agricultural Commodities Produced in 2014-15

20 DEDJTR 2016

