

**Submission
No 8**

INQUIRY INTO ASPECTS OF AGRICULTURE IN NSW

Organisation: Southern Councils Group

Name: Mrs Lesley Scarlett

Position: Executive Officer

Telephone: 02 4232 3200

Date received:

INQUIRY INTO ASPECTS OF AGRICULTURE IN NSW
Response from
Southern Councils Group
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The Southern Councils Group (SCG) is the peak organisation representing Local Government in the Illawarra and South Coast regions. Member Councils include Bega Valley Shire, Eurobodalla Shire, Kiama Municipal, Shellharbour City, Shoalhaven City, Wingecarribee Shire and Wollongong City Councils.

SCG and its member councils have worked closely with regional state agencies and the industry over the past few years to examine the contribution of agriculture, the impediments to sustaining productive capacity and growth in the industry, and identifying initiatives to address impediments.

During 2003 SCG commissioned a major study with funding from member Councils and the Commonwealth Department of Transport and Regional Services to consider the opportunities for and constraints to added agricultural diversification in the South Coast region of New South Wales. The study involved significant consultation with the industry, and numerous stakeholder organisations and State agencies. Copies of the reports have been attached for the Committee's information and consideration. A significant finding of the Study was the landscape value of agriculture to the region's tourism and social capital, a benefit which greatly increases the traditionally measurable economic contribution of the industry.

The Milestone 6 report contains an action framework which member councils of SCG have used where ever possible as:

- a basis for identified planning reform,
- to inform related economic and tourism development initiatives, and
- to underpin related environmental decision making processes

The Milestone 3 report is included. SCG would welcome the opportunity to table the other major Milestone reports for the Committee's information and use.

SCG also has:

- a Land Management Program which works closely with small farm enterprises across the region and has achieved singular success, with funding and assistance from Southern Rivers CMA.
- Commenced considering options for a targeted series of workshops to assist broaden and expand the base of agribusiness in the region, in conjunction with the Illawarra Regional Development Board and the Department of State & Regional Development.
- Worked closely with both the regional office of the Department of Planning and the State office on initiatives for the retention of rural lands. While the regional strategies prepared for the South Coast by the Department of Planning have taken many of the identified actions of the Milestone Reports into account, much remains to be achieved. There is a growing disquiet and unease at the lack of progress of the Department of Planning's Rural Lands Working Party and the time it is taking to see any real outcomes from this statewide process.

However the biggest impediment to the **full** implementation of this very comprehensive and well thought out action framework has been the lack of dedicated resources to ensure that all milestones or key indicators can be adequately addressed.

We know what needs to be done..... we just need the wherewithal to do it.

SCG believes that the region has been proactive in ensuring the retention of the sustainable agriculture landscape of the South Coast of NSW, and welcomes the opportunity of this current inquiry to further progress what it believes is a most important initiative. We would welcome the opportunity to discuss the

work already undertaken by SCG and the opportunities for further implementation of that work in the future.

Lesley Scarlett
Executive officer
Southern Councils Group

MILESTONE 6 REPORT
SOUTH COAST
AGRICULTURAL
DIVERSIFICATION
PROJECT

A Sustainable Agricultural Landscape
for the South Coast of NSW

Main Report

Prepared for

Southern Councils Group

PO Box 148
Kiama NSW 2533

May 2004

URS

Sustainable
Development

In association with

GRIFFIN nrm

Project Director URS Australia Pty Ltd
David Marston
Senior Principal
URS Sustainable Development
Level 3, 116 Miller Street
North Sydney, NSW 2060 Australia
Tel: 61 2 8925 5500
Fax: 61 2 8925 5555
Email: david_marston@urscorp.com

Reviewed by Kate Duggan
Director
Griffin nrm Pty Ltd

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During 2003, a study was undertaken to consider the opportunities for, and the constraints to, agricultural diversification in the south coast region of NSW. That is, what is produced or could be produced, will the production increase or decrease, what are the costs and benefits of agriculture, and what needs to happen in order to achieve optimum benefits from the rural situation. The region is the coastal lands; stretching east from the escarpment of the ranges to the ocean, and south from Port Kembla to the border with Victoria. This includes the main catchment systems of the Minnamurra, Shoalhaven, Clyde, Turros, Bega and Towamba Rivers. From south to north the local government areas are the shires of Bega Valley, Eurobodalla, Shoalhaven, Kiama, Shellharbour and the southern portion of Wollongong City.

The study shows that agriculture is most likely to develop as a diverse array of enterprises without any major new developments but there could be significant change in the factors that will influence current and future enterprise types, mixes and patterns. The current agricultural landscape is dominated by dairy and beef farms with a number of relatively small enterprises in a wide range of industries (horticulture, animals, crops). The study indicated that there is an imperative to ensure the integration of agriculture with environmental and social objectives of stakeholders as well as the economic aspects of tourism and residential growth if sustainability is to be achieved. This can be facilitated by considering the likely future direction and needs of the agricultural landscape and then undertaking actions to support sustainable development of this landscape as an integrated mix of appropriate enterprises.

This document describes the current landscape picture and then provides a statement about what the region could look like under a future scenario desired by the community and considered technically feasible by this study. The vision is for “**a diverse, productive rural landscape with sustainable economic, environmental and social benefits**”. Such a regional agricultural landscape is an integrated result of many factors; the strategy to deliver the desired vision will also have to be integrated. Addressing some of the drivers and constraints alone will not achieve the desired result. In fact, it is likely to skew the result with unfortunate consequences such as a reduction of agricultural character, less rural aesthetics for tourism, a loss of natural resource sustainability, and a decline in land productivity.

Further sections of this report identify the drivers of change in the region for the landscape and the specific agricultural industries that are likely to contribute to the future picture. A final section provides a set of strategic planning tools that indicate activities to achieve the desired scenario, with timeframes and responsibilities where appropriate. A completely quantified strategy is not possible at this stage as that would require a separate process to negotiate responsibilities, timeframes and budgets as this is beyond the scope for the study reported here. However, the strategy developed does provide the basis for ongoing action to progress the vision and stated objectives.

A team of agricultural and natural resource management consultants (URS Sustainable Development) conducted the work with substantial inputs from an interactive group of representatives of farmers, local councils and State government agencies on a Steering Committee. A considerable number of interviews and several workshops were conducted to obtain technical, social, financial and political information about the region's current and potential agriculture.

Agriculture is heavily dependant on the natural resources of the region. History has shown that the region is well suited to plant growth and agriculture has made good use of this through the dairy and beef sectors. Traditionally the area was considered too wet and humid for most grain production, horticultural crops and sheep.

2.1 Natural resource features

To quote from the Southern Catchment Blueprint strategy (Dept Infrastructure, Planning and Natural Resources, 2003), the region has:

- “A diversity of landscapes including grasslands forests, escarpments with high rainfall and coastal areas with many bays, lakes and estuaries.
- “Substantial state forests, national parks and nature reserves, a marine park, Commonwealth Territory and Crown lands and reserves.
- “Industrial areas, cities and ports, marine industries and heavily used boating and recreational areas.
- “A wide variety of ways in which the natural resources of the Catchment are used including:
 - grazing, dairy farming, horticulture and hobby farms;
 - tourism and recreation;
 - commercial fishing and aquaculture;
 - urban and rural residential developments;
 - aboriginal, cultural and economic uses;
 - manufacturing industries including dairy, starch and paper processing;
 - water harvesting for domestic and industrial use;
 - forestry;
 - surface and underground mines; and
 - rock, sand and gravel extraction.

“The Catchment has growing pressures on its natural assets. Many activities in the Catchment will need to be sensibly managed if the benefits of its rich natural resources are to be maintained for future generations”. The Southern Catchment Blueprint provides a practical means for addressing many of the challenges of sustainable resource use identified by the community and local government.

Blueprints have been written for all ‘catchments’ in a format set by the NSW State Government and consistent with Commonwealth funding agreements . The Southern Blueprint has five first order objectives that reflect the community’s values and desires for the condition of the Catchment’s natural resources. These objectives set the priorities and strategic intent of the Blueprint and have guided the Catchment Board in the development of targets and actions. The five first order objectives are to have:

-
- “Rivers, streams and wetlands with healthy, vegetated riparian corridors and stable riverbanks and beds that support good water quality, provision of habitat and sustainable production.
 - Healthy coastlines and estuaries with non-polluted waters, diverse aquatic ecosystems, foreshore vegetation and ample opportunities for sustainable public enjoyment.
 - Sustainable primary production and use of lands within their capability.
 - Protection of native biological diversity and maintenance of the integrity of ecological processes and systems.
 - Healthy urban environments which provide for a sustainable balance between natural systems and social, cultural and economic interests.”

The Southeast Blueprint covers the Bega Valley and Eurobodalla areas and it has similar First Order Objectives. One difference is that its fifth objective is:

- “To increase the recognition and understanding of the;
 - cultural diversity and heritage of the whole community,
 - cultural landscapes and practice of Aboriginal people, and
 - natural significance of the region.”

Achievement of these Objectives from both Catchment Blueprints throughout the region will be very important to the sustainability of agriculture and the purpose of this Project.

2.1.1 Regional soils

The study area has a wide range of soils, many of which are very good for agriculture. These include soils based on shale, siltstone, basalt, and granite together with various other sedimentary, metamorphic and volcanic rocks. These, together with the low slope landform areas, provide the basis for the classification of prime agricultural land as discussed in the next section. There are other areas of plateau, ranges and coastal areas where the soil is not suitable for agriculture and much of this land is contained within National Parks, forests and special use lands.

Soil conservation is an important issue in the region due to high rainfall, steep slopes and some soils that are prone to water erosion and mass movement. Maintaining vegetation cover (crop, pasture or trees) is the primary method for erosion control in general agricultural land and this can be supported by soil conservation earthworks in some situations (such as cropping). Soil erosion is a problem for intensive agriculture and development conditions are usually determined by local government to address this issue.

2.1.2 Regional climate

A summary of the region’s annual climate at three locations is presented in Figure 1. As an overview, the west (Nerriga) is cooler and drier than the coastal areas (Moruya) while the north

(Nowra) is warmer and wetter than the south (Green Cape). Evaporation exceeds rainfall for most months and that it is a particular problem in Spring and early Summer. It is this factor that reduces the availability of dairy pastures at this time of the year and leads to reduced volumes of milk. However, the relatively warm conditions, lack of frosts, adequate soil moisture and good sunshine hours mean that plant growth in coastal areas can extend well into the winter. This is not the case for inland areas as indicated by the number of days at Bega where the minimum temperature reaches zero or below.

Substantial areas of the coastal plain and river valley floors are prone to flooding. The impact is inundation of land rather than rapid, deep water-flows and this can create some problems for agriculture other than cattle (dairy and beef) and turf production.

Figure 1: Summary of annual climatic data for regional stations

Characteristic	Nowra	Nerriga	Moruya	Green Cape	Bega
Mean daily maximum temperature - deg C	21.3	19.0	20.4	18.2	22.2
Mean daily minimum temperature - deg C	11.3	6.6	11.3	12.6	8.3
Mean number days where Min Temp <= 0 deg C	<1	58	0	0	34
Mean 3pm relative humidity - %	58	55	66	79	57
Average annual rainfall	1135	772	965	754	874
Approx average annual evaporation - mm	1750	910	1500	1200	1400
Average number of annual rain days	130	88	110	110	90

2.1.3 Water for agriculture

As indicated in section 2.1.2 above, evaporation exceeds rainfall such that irrigation of crops and pastures would be beneficial in the spring/summer period. There are no irrigation schemes as such within the study area but individual properties do irrigate from rivers, their own dams or from groundwater sources. The re-use of waste water from sewage treatment plants (STPs) or industry is an option in some locations but the extent of this is influenced by the economics and compatibility of the crop grown, and the infrastructure network. Integrated water management schemes are being investigated for some urban areas in the region and these could offer the potential for horticultural development in rural residential areas.

The NSW Government is developing Water Sharing Plans for all river systems. The core provisions of a water sharing plan are that it must deal with the establishment of environmental water rules; requirements for water to satisfy basic landholder rights; water extraction under access licences; and establishment of transfer rules for the area. Only one draft Plan has been developed so far (Wandella Creek).

2.2 Land use and planning

As discussed earlier, the regional population and tourism are growing at a substantial rate. Population growth is significant and the total population is predicted to increase to 467,000 by 2011 with current growth of 1.5% per year but this will drop to 0.9% by 2011. These factors, and other land use options, put pressure on the price and availability of land. To ensure that land use is appropriate, local government applies planning controls in association with State government regulations.

Agricultural land occupies approximately 13% of the study area or 200,000 hectares in six local government areas. Apart from agriculture, land use is dominated by forests and national parks. There are many urban areas along the coast with major developments of high density in the northern parts (Albion park and Shellharbour) that relate to employment in Wollongong, and the service centres of Nowra, Moruya, Bega and Eden. Tourism is a significant industry in the region with numerous old and new tourism developments along the entire coastline.

2.2.1 Local government land zoning

Land zoning by local government controls where various activities can occur and as such limits the extent of agriculture. This zoning, and the associated planning controls, can also define the type of agriculture that can or cannot be undertaken on various land areas. These factors are issues for this study as they have major impacts (direct and indirect) on the potential types of agricultural diversification (through development controls) and the viability of broadscale agricultural enterprises (through land prices). A number of the councils in the region have recently, or are currently, reviewing their planning zones, and a major driver for this is the pressure for release of more rural residential land.

Local governments in this study area have different planning instruments and slightly different strategies impacting on rural land or agriculture. While all local governments have a basic objective or principle to preserve rural land for agriculture, their methods, details and resulting impacts are different. One important issue (and difference between councils) is how they deal with subdivision of rural land, including the use of 'concessional allotments', and the existence of dwelling entitlements on subdivisions of various sizes. Another is the prescriptive nature of schedules that indicate the allowable use of land zones. Often these have limited descriptions of what is permissible; for example, grape growing is horticulture but is a winery an agricultural activity? These issues are being addressed in other parts of NSW by the zoning of agricultural lands of state and regional significance.

Land zoning by local government controls where various activities can occur, and as such it limits the type and extent of agriculture. The definitions of acceptable practices vary throughout the region and the various sub-division regulations have different impacts on land prices. Both of these factors influence the type, rate and extent of agricultural diversification. They can also influence farm viability. There are a substantial number of examples of conflict between agriculture and urban land use relating to visual, noise and odour problems. These conflicts impact on continued farming opportunities and inhibit development and expansion of new enterprises.

2.2.2 Land values

Rural land values in the study area are high for a range of reasons. A 'shortage' of opportunities for rural lifestyle land with housing approval appears to be pressing prices higher. Some rural land is also being converted to urban expansion in the north and is under pressure from growth of villages throughout the entire area. The higher prices are influencing conventional farmers to subdivide and sell land in order to increase retirement capital, particularly in the face of falling commodity returns, even though this land then might cease to be used for viable agriculture. Land values along the south coast escalated in recent years and continue to trend upwards. Prices for small rural allotments approximately doubled in the past two to three years and the values for larger blocks also rose significantly during the same period. Values vary widely depending on the setting. Prices for out of the way blocks without views are fairly average but scenic settings attract an extraordinary premium (eg parts of Kangaroo Valley, Milton, Tilba, and Bodalla areas).

The rate of increase and top land values are more dramatic closer to Sydney. However, the gap between land prices in these northern shires (Kiama, Shoalhaven) and those in shires further south (Eurobodalla, Bega), while still evident, is no longer as marked and is rapidly closing. Small rural allotments (less than 40 ha) in the northern shires now sell for anything from \$300,000 to over \$1 million, depending on the views and setting. Dairy land in these shires sells for up to \$10,000 to \$13,000 per acre if in a scenic location, and for around \$4,000 per acre if not scenic. Clearly at current farm gate milk prices, these land values are exceeding the productive capacity of the land to provide a return from dairying. Further south, small rural allotments (less than 40 ha) are mainly selling from \$200,000 up to \$1 million. Dairy land is selling for \$1,000 to \$4,000 per acre.

Along the entire coastal belt, there is strong demand for and a shortage of small rural allotments, putting upward pressure on prices. Demand emanates mainly from those seeking rural lifestyle but not necessarily agricultural income. In some instances, the buyers establish a small enterprise (nursery, greenhouse, vineyard etc), but mostly, they agist a few cattle and do not seek further income from the property. Very few operating dairy farms come on to the market. Those that do, tend to sell out of dairying. Dairy farmers have sought productivity gains to counter the impact of deregulation, some have been able to expand but most are not prepared to pay the current prices for land.

2.2.3 Landscape aesthetics

The aesthetic view of the landscape with its coastline, pastured plains and slopes with grazing animals, undulating catchments and forested hills is a major asset to residents and admired by tourists. These landscape views are a major reason for many people to seek rural land for lifestyle living or for holiday accommodation on the coast or in the hinterland. Tourism is developing on the basis of this asset; as a scenic landscape for rural visits to local producers such as wineries, farm stay experiences, day trips to national parks, and simply the visual backdrop to a coastal holiday. Therefore, maintenance of the rural character of the landscape is a social and economic objective for many stakeholders.

2.3 Social and economic impacts of agriculture

A brief description of the current agricultural and landscape situation is presented here to indicate the issues and set the scene for strategic action. This 'picture' is based on information in

Milestone 2 reports and these documents (one for the northern part of the region and another for the southern part) should be consulted for the details.

2.3.1 Size, production and employment

Agriculture in the region earns about \$140 million per year in wholesale prices at the primary market place. This is generated from approximately 1,100 enterprises that employ about 2,200 people on these farms or in agricultural service industries. While this is approximately 2% of regional employment, other employment flows from this through processing at milk and cheese factories, abattoirs, wineries and other processing activities.

Agriculture contributes directly about 2% of the region's economy but this value is multiplied several times through purchases for agriculture, farm families and the households of those employed in agricultural processing. Forestry and fisheries contribute a further 1% to the regional economy through sales. In the LGAs of Bega Valley, Eurobodalla and Shoalhaven this economic contribution and the related employment is very important.

Although agriculture is a small industry in direct contribution, it utilises and manages an important component of the visual landscape and prime natural resources. These resources of soil and water and its visual position mean that agriculture interacts with many stakeholders. Agriculture has traditionally been responsible for creating (and managing) the aesthetics of the region and its landscape, which is now highly valued by many residents and tourists. This interaction brings challenges for the future in dealing with a wide range of objectives through a multitude of processes and change factors. Tourism and housing construction, for example, are larger contributors to the regional economy than is agriculture but future growth in both of these industries is closely linked (both positively and negatively) with the agricultural character and visual amenity of the region.

2.3.2 Industry types and trends

Dairy farming dominates the agricultural landscape (historically and currently) and this lends the visual character to the region – green pastures on the flat and undulating land with grazing cows. Steeper land tends to be in native forest and national parks with some clearing for beef farms. Dairy farms account for 25% of enterprises and they are usually family owned with low debt. For those farms that have 'survived' the dairy industry restructuring, there is a strong regional industry base. The owners tend to be long term regional residents with limited motivation to change even though they are risk adverse and their supply/marketing arrangements and prices will continue to change due to deregulation. The number of dairy farms is declining but production levels are stable, indicating intensification of production and economies of scale.

The number of dairy farms declined by approximately 20% on the south coast region over the last 3 years as a result of industry deregulation and associated impacts. Many producers in the region are "staying on" by relying on further productivity gains and off farm income. If farms are debt free, viability seems to be sustained through cost cutting and expansion. Anecdotal evidence suggests that farms with larger herds and those able to amalgamate (despite high land prices) are maintaining their terms of trade in the new environment while small farms are struggling. There is a general reluctance among established dairy farmers to diversify from core dairy business because of the many impediments to diversification (including conflict with neighbours). Dairy farmers are reluctant to diversify into industries they see as sidelines such as

tourism, genetics and calf fattening because of real or perceived challenges in marketing and in meeting planing guidelines.

Beef cattle grazing provides similar landscape features in the region but it does not have the same income earning capacity or productivity per unit area. Beef farms tend to occur on the less fertile lands and further from the coast or river valleys. Feed supplies and planning requirements limit the opportunities for intensive or feedlot production so most animals are sold to other regions for finishing or fattening. Overall beef production is declining in the region although some smaller 'hobby' farmers are becoming involved in specialist market types and agistment.

A wide range of other agricultural industries occur throughout the region and people have tried various land uses and/or supplied local markets. The more traditional industries such as poultry, eggs, pigs, apiary, and horses are scattered and of limited landscape impact. New opportunities due to land pressure around Sydney or improved technology are driving slight increases in these industries but there is no evidence of major expansion in either their area or economic contribution. A few examples exist of organic production or new specialist breeds in these industries where a market contract is available. Farm forestry is a small industry with potential for high value plantation timber production to link in with the regional forestry infrastructure.

There is a group of agricultural industries that are having a new impact in the region, albeit small at this stage. These vary from new opportunities for horticulture (grapes, vegetables, fruit, flowers – native and exotic) and variations associated with organic or hydroponic production of these crops, to new industries such as alpacas, fish, and exotic crops (coffee, olives, ginger, small animal meats, herbs). The general characteristics of these enterprises include being small producers, having individual marketing arrangements, limited critical mass and weak supply chain arrangements. They are also very vulnerable to input/output price variations, and employ small numbers of mostly casual employees. These enterprises are often established by new families in the region who seek lifestyle situations and business development may be a secondary consideration. With the possible exception of alpacas, these industries are not likely to develop to a scale that significantly impacts on the visual landscape or economic development of the region. However, without them the region will lose growth and character.

The recent growth in grape and wine production in the region mirrors a nation wide trend and is part of the success of the industry overall. The south coast does not have the natural resource conditions (despite new vine varieties) to be a major grape and wine region. It's importance is to the local region where it compliments a large and an expanding tourism industry, supplies local retailers and restaurants and employs people in grape growing, winemaking, cellar door sales and associated on site restaurants and cafes. While local government is supportive of the industry, individual vineyard developers have experienced substantial problems in planning approvals.

Alpaca grazing for fibre production is a new national industry that is expanding along the south coast. Alpacas are suited to the area because they do not get footrot, do not need crutching, can cope with the moist conditions (even grazing flood land) and they are environmentally suited to grazing sloping land due to 'soft' feet. This is an industry that has the potential to expand in the region as it overcomes the current infrastructure and servicing problems of a small, dispersed industry. It is suitable to land that was previously used for dairying and for the better beef areas and as such can 'replace' these in providing aesthetic landscape values for residents and tourists.

Local value-adding to agricultural products occurs in some industries with wine being the largest in value. Cheese production is a major value-adding industry in the region but the two largest manufactures (Bega and Tilba) both import substantial quantities of raw material (milk as

concentrate and other forms). Other value adding enterprises include turf, nurseries, cottage industries for jams and preserves, special beef cuts (for local sale and export), dairy animal genetics, and milk products (cows and goats). There is a limited regional branding program operating within some local restaurants. The region supports a usual but limited range of agricultural service industries but new enterprises rely on outside expert advice and technology support.

A recent example of value adding is the development of the 'small species abattoir' at Bega. This facility will support existing producers of specialty animal meats and encourage new farm developments. This is because it allows specialist local processing, overcomes small batch transport issues and introduces other economies of scale for industry support and marketing. It is an example of the success of groups such as the Sapphire Coast Producers' Association. This organisation and industry coordination groups have supported the development of wine production, rural tourism, native flowers, animal genetics, farm forestry and other industries.

2.4 Competitive agricultural activities

This project was originally tasked with providing information to facilitate the development of ten competitive agricultural activities (CAAs). The benefit of this has been reduced in light of the drivers and constraints that have been identified for agriculture in the region (see section 4 of this report and for details refer to Milestone 4 Reports). However, those CAAs with most potential were identified using a combination of industry value criteria:

- competitiveness – location, time horizon, capital requirements, limiting liabilities;
- technology - availability of appropriate technology in the region or elsewhere; and
- market issues – type, competitive advantage, supply linkages.

plus criteria for regional value contributions:

- contribution the industry makes to regional aesthetic landscape protection;
- contribution an industry makes to maintain agricultural land productivity;
- employment – additional jobs (direct and indirect) over current industry activity;
- regional value adding - integration and symbiotic relationships with other industries;
- tourism - assists or is involved with regional tourism; and
- provision of ecosystem services such as biodiversity, improved quality and quantity of water supply, clean air, soil protection, and/or improved health of riverine habitats.

From analysis of this information 15 CAAs were identified. The order in the list indicates some level of importance for the region but the order can change in various parts of the region.

Dairy- milk and cheese	Cattle genetics	Fodder
Alpacas	Cut flowers	Rabbits
Viticulture and wine	Honey	Goat dairy
Organic produce	Vegetables and berries	Poultry –meat and eggs
Beef – meat	Farm forestry	Land aquaculture

This section brings together information about the drivers and/or constraints for the top CAA enterprises, plus the regional resources and vision in order to develop a statement about the desired future sustainable agricultural landscape. This landscape statement (scenario) takes into account the pressures on natural resources, together with social and economic factors such that the agricultural potential is not degraded and so that sustainable economic development is supported.

A statement of what the region looks like in the future is an important step in determining the actions that need to be taken now to achieve the regional objectives. Some of the 'picture' in the next section may never eventuate but at this point in time it represents a 'realistic and sustainable' blend of stakeholders desires within the context of possible pressures for change.

3.1 The desired regional picture in 2015

The region will be productive through a range of primary, secondary and tertiary industries and it will be aesthetically pleasing to most stakeholders. Based on the 'Good looking and productive' scenario developed at a Project workshop, the following picture represents the region in the year 2015.

'Sydney continues to lead the Australian real estate boom on the back of ongoing population increases and a continuing strong Australian economy. Urban property values rise against the expectations of a bust at an average of 8% per year over the next 12 years. Investment in rail and road transport systems to the south coast allow faster and safer access to popular south coast tourist and lifestyle regions. The regional population increases by 25% over the next 10 years. This growing regional population wants places to build new homes, tourists want accommodation and services, and the urban rich are looking for a chance to escape the city rush by building their retreats amongst the bush and emerald green paddocks along the south coast. Some of these new neighbours love what a rural area provides, so do the farmers, and the rural businesses, and so does the tourist industry. But they see that real estate pressures are slowly reducing the options for agriculture, and this will also have an impact on the tourist industry. They decide that they want to maintain the productivity and character of the district but recognise that the demands of the next generation of farmers, tourists, new arrivals, and the local urban population are changing.

A local rural action group is formed – the Good Looking and Productive Group (GLPG). They have the support of local government and the local members of parliament. The GLPG recognises that agriculture still needs to evolve, be market focussed, and technically efficient, it also needs to be part of, and gain benefit from, new demands for lifestyle, amenity and the provision of environmental services. DIPNR provides commitment to support this approach and local government is resourced to assist. GLPG is focussed and very active with good public consultation and support.

Land use planning is reflective of regional objectives and operates within a transparent framework of balanced processes and local management. Priority land for agriculture is identified and zoned accordingly, state significant agricultural lands are gazetted. Urban limit lines are defined and controls are placed on sub-division and rural residential. Codes of practice are established, as are agreed visual building codes in target "visual amenity" areas. New and intensive agricultural industries are established in target zones. Farmers grumble about the additional expense of being a rural gardener but are pleased with the reduced power bills as result of their new energy efficient buildings. Two new farm

management/ business consultants see an opportunity to guide new investments in restructuring dairy farms and new intensive industries. One sets up a major grower network, the other is an expert in water reuse. More new industries take hold, not major at first, but they grow as they take advantage of cost efficient supply of utility services to target zones, they develop a critical mass and the area is recognised for its cut flowers and nurseries. Operators may not live on these blocks, part of which they lease to members of the alpaca industry or fodder producers; they live on nearby rural subdivisions.

The region gains a reputation as a sustainable rural area that provides a great place to live for its rural and urban families. Its recognised for the application of water reuse technology and the management of the natural resources. The dairy industry still has some internal adjustment but investments are made and efficiencies are gained, it expands in focus areas, the factory invests in a major upgrade. Rural employment grows as intensive industries expand, gains are also made in the processing and service industries. The local community is proud of its rural heritage and the character of the region. Tourists like it too and continue to flock to the area for weekends and longer seaside and rural experiences with local produce as an added incentive.'

3.2 Agricultural industry impacts

There will of course be many influences that bring about the regional picture as described but as this study is focussed on agriculture, the primary impacts considered will be those associated with or related to agriculture. Therefore, the following statements consider the major changes within the key agricultural industries listed above that will be substantial contributors. The means by which these changes and impacts can be achieved are considered in section 4. While these statements about industry change are written as definitive, they are only projections for use in the study and are not predictions that could be used for individual enterprise decisions. More details of all these issues and industries are contained in Milestone 4 Reports for the project.

Dairy (whole milk production) farming is likely to involve slightly fewer enterprises than currently but occupy a slightly greater land area and have increased productivity and efficiencies. The use of contract labour and other services will be greater than at present so there will be a slight increase in employment prospects and the contribution to the regional economy will increase. To achieve this, agricultural land prices will be realistic so that individual expansion can occur and there will be some public financial support for dairy farmers to the enhancement of the natural environment and to maintain the agricultural values of the visual landscape. There will be increased interaction between the dairy industry and tourism (farmstay, educational and rural recreational). Value adding to bulk milk production will increase through some organic producers and some 'cottage industry' processing as yoghurt or cheese for regional consumption. There will also be value adding on some dairy farms through the sale of calves, heifers and embryos of superior quality as a cattle genetics industry. The regional importance of this major industry will be understood in the community and government. Dairying will continue to be the largest agricultural contributor to the economy and the largest manager of the visual landscape.

Alpacas are most likely to increase in number in the region through a combination of large producers and small contracted growers. The greater volume of fibre production will improve the regional economic contribution of this industry and bring economies of scale (health, shearing and transport services) to producers of both breeding animals and wethers for fibre.

Because this industry can assist in a number of regional objectives, it will have good interaction with the tourist industry and benefit from public contributions to natural resource management of the landscape. Agistment or contract rearing of alpacas by small landholders will assist in natural resource management through pest plant and animal control as well as fuel management for fire control. A substantial industry presence and positive neighbour relations will ensure that the industry is an important regional feature.

Viticulture and wine production will reach a stable economic level through market forces and this will probably see numbers of growers and area planted increase from current levels. It will be significantly linked with regional tourism and a regional produce branding program. As a passive land use of high value per unit area it will not receive public support for natural resource management and commercial reality will influence land sales on suitably zoned land. This industry will have a high local profile and be a commercial stakeholder in a regulated water market for natural and reuse sources but it will not occupy large areas of land.

Beef meat production will probably have a general decline in the region but the industry will maintain a substantial presence in some specific localities, and part of the industry will specialise and add value through niche organic beef production. Where pasture production will not support dairy cows, there will be opportunities for beef production with land values that reflect the productivity through appropriate zoning for agricultural and aesthetic objectives. Like the dairy industry, for beef enterprises in significant regional landscape areas there will be public support for the enhancement of the natural environment and maintenance of the agricultural values of the visual landscape. However, there will be substantial linkages between meat production and live animal sales to other more productive regions or countries. The production of dairy beef and animals to enter the feedlot industry will be important. Organic beef production will be a modest growth industry, integrating with the region's clean natural environment image, and reflecting continued strong growth in both domestic and international demand for organic beef product.

There is a market for dairy and beef genetic material from the region and the industry has the potential to expand. The dominant local breeds of Holstein-Fresian and Illawarra Red are keenly sought for Asian cattle industry development. Disease control and quarantine protocols have been developed for the region. The region produces high quality animals and the seasonality of pasture production could mean that the marketing of heifers-in-calf fits in well with milk production requirements. The existence of healthy stock with good genetic heritage could be expected to yield highly sought after embryos from a recognised region.

Cut flower production is likely to continue expanding in specific areas where soil and water are suitable or in hydroponic arrangements. These will not necessarily be on prime agricultural land because water (natural or reuse) will be the limiting factor. Some extensive production of native flowers can occur on smaller agricultural holdings or in association with other enterprises based on commercial considerations. This industry will not have a large landscape imprint in the region. Regional value will mainly be through employment opportunities as most produce will be sold on contract (domestically and internationally) rather than through 'local produce' outlets.

Honey production will continue as an unobserved industry (mainly in forest areas) but as an important contributor to the regional branding program and as an income strand from farm and plantation forestry. Increasing use of organic production for various crops will link with organic honey products. Access to public land (forest and parks) for apiarists will need to be resolved.

Vegetable and berry production will probably expand into specialist sectors supplying produce to local farmers markets and interaction with tourism through 'local food' outlets. Some vegetables will be transported to urban markets in Wollongong and Sydney for timely production or organic produce supplies. The industries are fragmented and need critical mass and regional branding to access larger markets on a more competitive basis. Land prices and water (natural and reuse) availability will support the vegetable and berry industries in agricultural areas but mushrooms and hydroponic vegetables will generally be produced in non-scenic areas.

Farm forestry will continue to expand to meet a variety of stakeholder objectives. These range from commercial timber and other forest product sales, to aesthetic requirements of landholders and public supported natural resource conservation (biodiversity, wildlife corridors, soil and water protection). It will be the public benefit and land use planning aspects that will provide the greatest regional interaction rather than any economic or employment benefits.

Egg and poultry production will expand into some local or niche marketing opportunities related to free-range, organic or exotic varieties. The size of this development will be controlled by transport costs of food in and products out of the region. In this context, the use of non-prime agricultural land with access to water in some less visual rural areas could result in the transfer of larger commercial production from the Sydney region to the South Coast where land use planning could reduce the impacts of noise and odour and deliver economic benefits.

Rabbit meat production on the south coast supplies specialist retailers in the major centres, and locally. However, the cooperative is in the process of developing wider, value added markets, assisted by the establishment of the small meat processing facility at Bega and the development of an industry critical mass. There is an established demand and a continuing retraction in wild rabbit meat supply, and therefore an opportunity for rabbit farming to expand to fill the demand. Proximity to the major centres of Sydney, Canberra and Melbourne is an advantage.

Goats will not be a significant industry in the region but numbers will increase. Milk and related products will increase to supplying produce to local farmers markets and interaction with tourism through 'local food' outlets. This will link with service industries for cows and there will be some linkages with the alpaca industry for a small amount of fibre production. In some circumstances goat grazing will be publicly supported as a means of weed control on visual landscape land that is not viable for other industries.

Fodder production will be important to support other industries such as a more intensive dairy industry and enterprises within the beef, alpaca, horse and hobby-farm land use sectors where animal feed is the limiting factor. Some of this fodder will be produced by contractors using suitable land that is otherwise idle due to lack of management skills, lifestyle incentives or capital investment. In these situations, the production of fodder will provide economic and landscape values for the region. Opportunities for water reuse will be developed to provide high quality local product with low transport costs.

Land based aquaculture is set to overcome current technical gaps and be viable for investors in the region. The availability of good quality water, suitable sites and the proximity to urban markets and export infrastructure will support the industry. Other water use industries such as vegetable, fodder and flowers will develop in association to reuse the nutrient-rich waste water and labour sharing. The industry will also supply produce to local farmers markets and interact with tourism through 'local food' outlets.

A wide range of related rural industries or small specialist agricultural enterprises will exist in the region and provide economic returns for the investor. These range from individual enterprises such as Japanese ginger for export, and medicinal bi-products such as hormones from horses, to service industries such as irrigation design, transport and technical consulting.

Another range of activities will provide indirect support through markets and marketing. This will include farmers' or local markets, regional branding and local food promotions, as well as strong linkages between tourism promotion and agriculture or natural resources. Land and water markets will operate transparently but regulations will be designed to stimulate appropriate agricultural industries as discussed above. The labour market will be aware of the employment opportunities and training requirements of these agricultural and related industries.

3.3 Non-productive land values, financing and cost sharing

Interactions between the public desire for maintaining rural vistas and landscapes and the private benefit which farmers wish to gain when either exiting or expanding their farming enterprises require that consideration be given to alternative mechanisms for financing and cost sharing in agriculture. Land values for extensive agriculture are reflecting their substantial non-productive value because investors are paying premiums above the productive land value. This reflects either their desire for living in the area or an investment expectation that land prices will rise as others want to live there. Meanwhile professional farmers are under pressure to increase the size of their businesses to achieve scale efficiencies to remain viable. For these farmers, the most ready access to capital would be through subdivision of some of their land into lifestyle investment lots but this can reduce agricultural viability of the remaining portion. There is the need to develop a structured process for farmers to realise the increased value of their land assets with subdivision consistent with the local community objective of maintaining commercial farming activities in the region (or at least a rural landscape). Such a process would prohibit the subdivision of land that is of agricultural significance but it might allow transfer or re-alignment of boundaries to facilitate small areas of non-significant agricultural land to be sold for asset realisation by some farmers. This concept also raises the issues of land-zoning impacts on land prices, financing for farm operations and the sharing of costs associated with maintaining landscape values between beneficiaries; all of which the 'policy' would need to address. Many enterprise would not be viable for an outside investor without taking into consideration the non monetary value of the land, beyond its productive value. However, there are situations where there are mutual advantages to dairy farmers linking with outside equity investors to either increase the scale of the farm operation and/or release some of the capital tied up in the dairy business. Share-farming has evolved in the dairy industry as a means of introducing additional capital. Land leasing and limited shared use of equipment and milking facilities are seen but are not widely used. The major benefit of attracting outside equity into dairying will be to allow dairy farmers to continue to increase their scale of operations without having to substantially increase their investment in land. Further financing details are contained in Milestone 4 reports.

Another issue is that there are substantial costs associated with maintaining the rural landscape aesthetics that are not always related to production benefits. Consideration needs to be given as to how all beneficiaries can share these costs. For example, the cost of maintaining biodiversity, wildlife corridors and some forms of pest control can be a non-productive burden to farmers. Various mechanisms are available to enable tourists and urban residents who wish to protect the landscape, to contribute through rates, levies and other financial collection measures. The

challenge is to develop systems such as Landscape Management Committees that ensure that stakeholders have ownership in the distribution and accountability of such cost sharing funds

3.33.4 What will be the big operational differences

If the south coast is able to move towards its sustainable future it will be because of the following major achievements across the region:

- The community actively supports the rural character and productivity of the region;
- There is widespread stakeholder recognition that agriculture needs to be a major part of new demands for lifestyle, amenity and the provision of environmental services;
- Community awareness and education programs are actively based on the above two points;
- Politicians at all three levels of government understand the community focus and support actions to achieve the following outcomes;
- Access to natural resources is sustainably allocated and managed through property rights;
- State agencies are committed and resourced to support this approach and local government is appropriately resourced;
- Priority land for agriculture is identified and zoned accordingly;
- State and regionally significant agricultural lands are gazetted as a new classification;
- Urban, rural and public land limit lines are defined throughout the region;
- Consistent regional controls are placed on sub-division and rural residential land;
- Codes of practice exist for acceptable land use on a regional basis;
- Visual development codes exist for target “visual amenity” areas of regional significance;
- Zones are established for intensive agricultural industries in appropriate areas;
- Agricultural land is used productively under various forms of ownership (share farming, leasing, cooperatives) and innovative financing arrangements;
- Agricultural research and development continues for new and improved products;
- The region develops branding and marketing strategies for its produce;
- Promotion of tourism focuses on regional diversity and rural attributes;
- There are economic and cultural links between agriculture and tourism;
- Market and non-market based mechanisms are operating to support natural resource outcomes for agreed public benefit;
- Regional transport and other infrastructure facilities are enhanced to support agriculture; and
- Education, training and labour markets are operating to facilitate these achievements.

To achieve the sustainable agricultural landscape as pictured above for the region, it will be necessary to facilitate change, support development and ensure sustainable resource use. This can be achieved through the guidance of a Strategy based on objectives and actions. The Strategy will consider the potential for synergy between agricultural enterprises and between agriculture and other development with particular regard to tourism. Before developing the Strategy and its actions, it is necessary to consider those things that will influence the outcomes. That is, what things can the Strategy influence, what activities can the strategy support, and what things will happen (or are happening) irrespective of the strategy.

4.1 Influences external to the region

There are a number of things that this Strategy cannot influence and in many cases the driver is from outside the region. These include:

- Dairy industry deregulation across Australia (and in other agricultural industries) is creating a new economic environment;
- Housing pressure from adjacent urban centres is exerting upwards pressure on land prices and can reduce farm viability if unchecked in areas of prime agricultural land;
- Agricultural terms of trade are controlled by international politics and commodity markets or selling arrangement;
- Historical patterns of agriculture in the region (and other regions such as inland dairy areas) together with conservative attitudes amongst farmers tend to make changing enterprises a slow or very difficult process;
- Climate and topography features of the region inhibit large scale (extensive) cropping, livestock, horticulture industries but on the other hand the region has attributes of good water supplies, extensive natural vegetation cover and some very productive soils; and
- Historical transport patterns and recent upgrades of inland routes has resulted in poor networks within the region.

4.2 Regional issues for attention

Consideration of the current and desired regional agricultural environment discussed in earlier sections of this study presents a range of issues that require attention to improve the viability of sustainable agricultural industries. These issues include:

Increasing land prices – land prices normally increase over time, however there are several factors that have resulted in inflated agricultural land prices in the region. These include speculation about the potential use of lands for urban expansion, the competing value of rural residential subdivisions, and demand for ‘hobby farm’ land with provision for housing.

Neighbourhood conflict – is an issue arising largely from the impacts that agricultural activity can have on people in nearby residential areas and visa versa. These impacts may include pesticide spraying, odour, noise, livestock crossing roads, pet animals and visual impact.

A need to maintain/improve landscape aesthetics – the importance of the agricultural landscape is very high in the region and it relates equally to agricultural productivity of the land as well as the scenic context that the landscape provides for tourism and resident's lifestyles.

Inadequate transport infrastructure and services – transport networks and some services do not adequately support growth in agriculture, value adding industries and tourism.

Industry coordination – agricultural producers need to support each other to improve the logistical support arrangements, disseminate technical advice, undertake R & D activities, consider producer cooperatives, and develop codes of best practice. There is also a need for agricultural and tourist industries to consider how they can add value to each other through integrated marketing and cost sharing for common goals.

Availability of water – although water supply is currently sufficient to support many agricultural activities for much of the year, changing patterns of water usage and different agricultural activities may bring about water shortages for certain enterprises at some times of the year. Reuse of urban water (stormwater and treated sewage) has untapped potential for agricultural production. There is a need to finalise water sharing and quality plans for all water systems.

Limited regional identity – whilst parts of the region or specific enterprises have strong identities, the region as a whole lacks a strong identity that could be used for effective marketing of local produce (including tourism). There are obvious linkages to be developed between tourism, local and/or farmer markets, and 'local food' promotion activities.

Improvement of skilled labour – the region needs appropriately skilled and motivated workers who can support the expansion of agricultural industries. There is a need for coordination and support for technical and adult training courses.

Lack of integrated regional planning – much of the planning within the region is carried out through the three levels of government and by different (and often single focus) departments. This mix of agencies and their policies creates a confusing and complicated regulatory system that does not necessarily support agriculture or integrated resource development. It also fails to address the challenge of sustainable development presented as the "Regional Vision" for this study.

– **Complex environmental management requirements** – the environmental management framework that farmers (and other natural resource managers) operate within is becoming more complicated to understand and more expensive to implement. Problems arise because land managers do not adequately understand the environmental objectives and/or consider that beneficiaries are not appropriately sharing the costs of the required environmental management.

4.3 Related activity

Obviously with a Vision that requires such a range of Outcomes as presented in this Agricultural Diversification Study (ADS), there will be a number of other programs, activities and projects that also impact on the result or can be used to achieve the desired result. So that appropriate integration and/or coordination can occur, some of the major related activities are briefly described below.

A new Regional Planning Strategy to be implemented in 2004 by DIPNR will provide a process to address a number of the land use, planning and related issues. The Strategy process will manage issues such as expansion of urban settlement, protection of environmental resources and economic assets including agricultural land. It will consider a number of factors including protection of natural attributes, enabling efficient use of infrastructure and services, the need to provide certainty for developers and investors and the protection of agricultural lands. Mapping

for the Strategy will also include identification of important centres, major transport and infrastructure networks, environmental values, agricultural resources and landscape values in the broader sense. The process will identify the issues and challenges that need to be faced in order to increase the economic contribution of agriculture to the regional economy and then suggest a pathway/s that may be followed to address them. For example, the issues of land use conflict and land speculation in fringe areas could be managed through a number of initiatives such as clear and consistent regional land use controls, the establishment of urban limits around existing settlements, improved controls on the location and development of rural residential subdivisions and the establishment of regionally significant agricultural and landscape areas. All of this is consistent with the Vision and Objectives developed through this current study.

Some local governments are currently reviewing their rural planning and this ADS will provide information and potential actions to compliment their processes. By December 2008, councils are likely to be implementing the Integrated Plan Template as recommended in the Kibble Review of the planning system. The Template will provide a framework for councils to amend their planning controls based on state and local government priorities such as sustainable agriculture.

The new Catchment Management Authority (CMA) for the Southern Rivers will commence in 2004 and its charter is to implement the Catchment Blueprints as part of sustainable management of the natural resources, particularly water and vegetation. Associated with this are the ongoing roles of Landcare, Rivercare and other community programs.

Federally funded Area Consultative Committees and NSW State and Regional Development programs are assisting agriculture as an industry in the context of regional development through activities relating to training, employment, infrastructure and direct enterprise support.

Organisations such as Sapphire Coast Producers' Association (SCPA) are continuing to provide support and advice, consistent with the ADS, to new agricultural and value adding enterprises. A recent project in the south of the region (New Horizons) provided a range of recommended actions to support agricultural diversification and these should continue as they are consistent with the ADS although generally at a more industry specific level.

There is also a wide range of agency and industry programs that directly relate to various aspects of this study. These include agricultural production groups for beef (CattleCare), dairy (DairySAP), viticulture, agroforestry, horticulture and tourism. State agencies (Agriculture, EPA, DIPNR) operate technical advisory programs for rural industries and natural resource management. Local government operates economic development programs and land management activities.

This section addresses the substance of – ‘if this is what you want to achieve... then these are the things that you need to manage (drivers: present, future, inside, external) and here are the activities that would impact on these drivers in the direction that you want’. The decisions on direction and range of actions are up to you. Of course, the integrated nature of the desired landscape means that integrated solutions will be necessary as individual actions will have limited impact.

5.1 Vision and objectives

Based on work by the Steering Committee and other consultations, a Vision has been developed for the region. The **VISION** is:

“A productive rural landscape with sustainable economic, environmental and social benefits.”

To achieve this Vision there is a need to meet the following **Objectives** :

1. To enable the development of productive and sustainable long term agricultural industries on significant agricultural land and through value adding in the region by 2010;
2. To promote the development of a cohesive set of land uses that best encapsulate the region’s vision for the future, by 2010;
3. For agricultural enterprises and industries are operating at full commercial potential throughout the region by 2015;
4. For the region is widely recognised as a provider of exceptional agricultural produce and tourist experiences by 2010;
5. By end 2010, to have 75% of the community is actively supporting agriculture as a key part of the sustainable landscape fabric of the region; and
6. To have strong and consistent political and public sector support for the vision and strategy within 3 years.

5.2 Framework for action

These Objectives can be achieved if there is an agreed framework for action. The table in section 6 is an Action Framework that links Inputs and Actions to Outputs and Outcomes that will, in turn achieve the Objectives of the Vision. It is a structured way of planning who has to do what, how much has to be done, by when and with what resources.

The Framework also identifies Milestones or Key Indicators to enable an assessment as to whether the Action has been completed or the Output achieved. This is important in order to monitor, evaluate and manage the strategy. To assist with this the Framework also lists criteria by which the Milestones can be assessed. With the assessment information, it is possible to review progress and revise the Actions if they are not achieving the desired Outputs.

It is clear that a number of approaches could be used to support the development of a more sustainable agricultural environment for the South Coast region of NSW. Section 6 presents a detailed Action Framework for the implementation to address the most important issues. The

Action Framework also provides indicative timeframes that would bring about the timely achievement of the desired Outcomes. It is noted however, that many existing strategies and programs are operating within the region that may offer alternative ways to address the issues identified above. Timing for the introduction and completion of appropriate actions and strategies will be influenced by the budgets and project priorities of the relevant agencies.

5.2.1 Major strategic themes

To assist in understanding the overall requirements for action, the following section describes the major strategic themes.

Land prices – given that land speculation and competing, higher return uses contribute to increasing land prices, improved land use controls and clearer long-term planning strategies should be used to address this issue. The proposed regional strategy will provide a vehicle to better manage land use planning within the region. Specifically, the mapping and protection of agricultural and aesthetic priority areas, the establishment of urban limit lines around existing settlement areas and the improved control over the location of rural residential allotments could ease land speculation that leads to inflated land prices. [For further activities see Action Framework Outputs 1.1 to 1.5, 2.3.1, 3.2.1, 3.2.2, 6.3 and 6.4 in section 6.]

Neighbourhood relationships – ensuring the location of non-compatible residential uses away from core productive agricultural areas would go a long way to address the issues of neighbourhood conflict. Strategies such as community education programs and the recognition of codes of practice for agricultural land would also address this issue. [For further activities see Action Framework Outputs 1.3 to 1.5, 2.1 to 2.4, 5.1 to 5.4, 6.3 and 6.4 in section 6.]

Landscape aesthetics – consideration should be given to the introduction of cost sharing instruments that spread the burden of managing high quality environmental landscapes throughout the region so that all beneficiaries share the cost. [For further activities see Action Framework Outputs 1.3 to 1.5, 2.1 to 2.4, 2.6, 3.3, 4.2.1, 5.3 and 6.1 in section 6.]

Transport infrastructure and services – regional industry groups should meet regularly with transport and service providers to discuss limitations of existing networks and recommend possible solutions to infrastructure and funding agencies within government. [For further activities see Action Framework Outputs 3.5, 5.4 and 6.2 in section 6.]

Industry coordination – the establishment of cooperatives could enable the development of more cost effective production and marketing. There is also a need to strengthen R & D programs, financial investment strategies, share-farming opportunities and property planning. [For further activities see Action Framework Outputs 2.4, 3.1 to 3.4 and 4.1 in section 6.]

Availability of water – because water is an important resource that needs to be protected and managed, an integrated regional water management strategy that includes water sharing plans, water quality management and reuse schemes must be developed. The strategy needs to include property rights and use market forces to regulate water use for sustainability. [For further activities see Action Framework Outputs 1.6, 2.3.2, 5.3, 6.2 to 6.4 in section 6.]

Regional identity – regional branding and marketing across a range of high quality, locally produced and value added products and activity to promote and build on the tourism experience that the region can offer would improve the regional identity of farm produce. There are also opportunities improve the quality and broaden the range of products and experiences that the region can offer. [For further activities see Action Framework Outputs 4.1 to 4.4, 5.4, 5.5 and 6.1 in section 6.]

Skilled labour – the establishment of local labour market courses, vocational training courses and community forums/committees that support the needs of farm enterprises and value adding industries would address this issue. Other vocational training and change management courses would also enhance the knowledge and skills of the existing workforce. [For further activities see Action Framework Outputs 3.6, 3.7 and 5.1 in section 6.]

Integrated regional planning – there needs to be a process to coordinate the planning initiatives and programs of different agencies and levels of government. An integrated, whole-of-government approach would also support the consistent implementation of policy sustainable natural resource development in the region. [For further activities see Action Framework Outputs 1.1 to 1.5, 2.1 to 2.4, 5.1, 5.6, 6.3 and 6.4 in section 6.]

Environmental management – the streamlining of environmental management requirements and government support for on-the-ground farm management initiatives is needed. This work could build on the existing programs that support on-farm environmental management such as Landcare, Rivercare, DairySAT and the Catchment Management Authority. [For further activities see Action Framework Outputs 1.6, 2.1 to 2.4, 2.6, 5.1, 5.6, 6.3, 6.4 in section 6.]

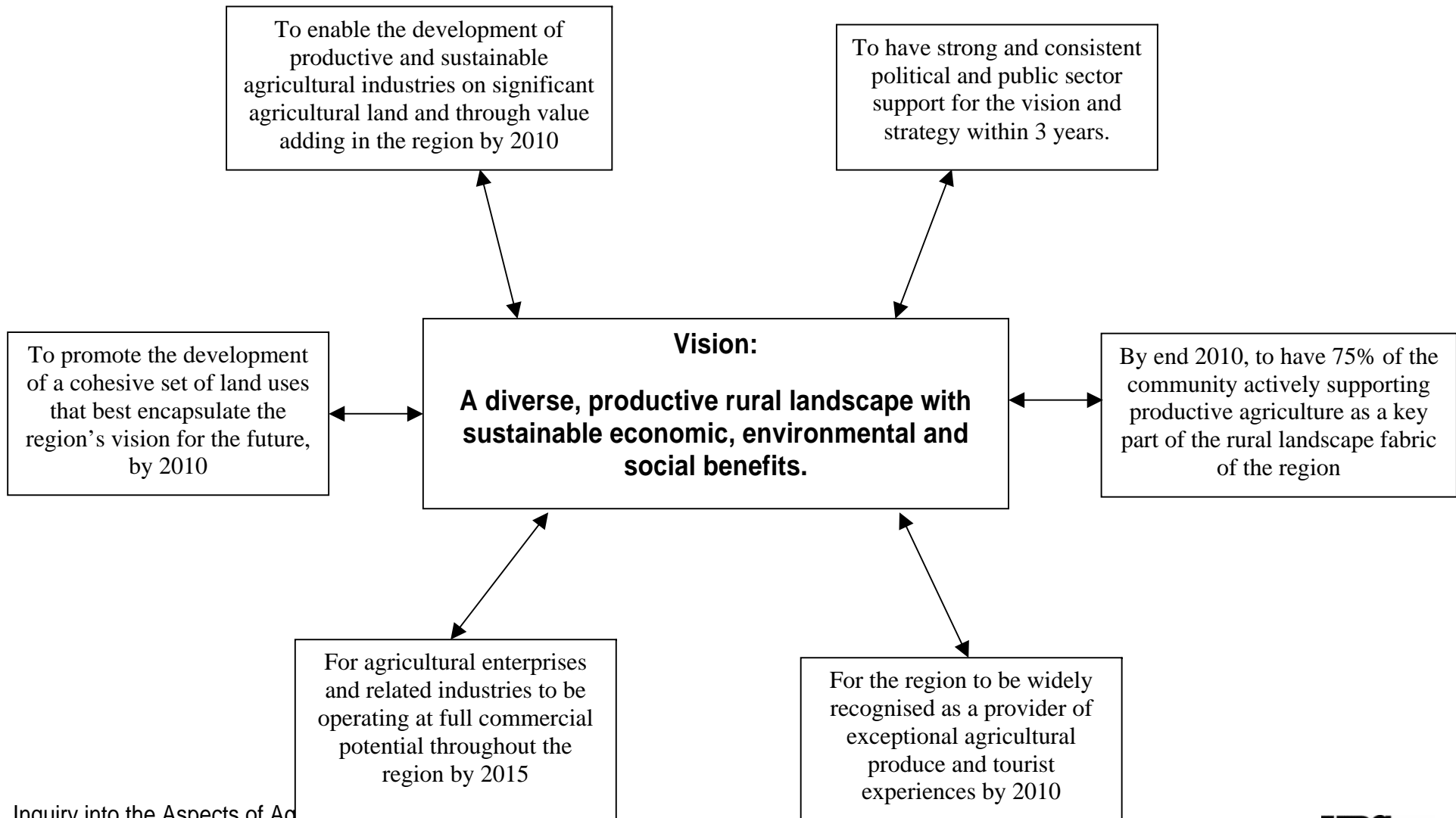
5.35.2.2 Who needs to do what now

The Agricultural Diversification Study has reviewed the regional situation, set a direction for the future and recommended a comprehensive set of actions to achieve a community Vision. It is now the task of the stakeholders to negotiate and implement an agreed strategy. In order to start and coordinate the action identified in the framework, it is recommended that the following tasks and responsibilities are undertaken:

1. Responsibility for the ADS Framework rests with the Southern Councils Group (SCG) as it is the new and larger body that replaces IROC and covers the whole study area; and
2. SCG needs to establish a committee to manage implementation of the ADS Framework and seek Federal and NSW funding for an Executive Officer and administration budget for the Implementation Committee.

The South Coast Region can be a productive rural landscape with the economic, environmental and social benefits if the community, industry, providers and regulators work together to achieve the Objectives developed in this Strategy.

FRAMEWORK FOR A PRODUCTIVE RURAL LANDSCAPE



Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>OBJECTIVE 1</p> <p>1] To enable the development of productive and sustainable long term agricultural industries on significant agricultural land in the region and through value adding by 2010</p>	<p>1] Outputs are achieved, conflict is reduced and sustainable agricultural industries develop and expand in the significant agricultural land zone</p>	<p>1] Evaluation of land use trends and development issues in the significant agricultural land zone in 2005 and 2010 shows growth in sustainable agriculture</p>	<p>That zoning and gazetting of significant agricultural land will enable protection of this zone for agricultural land use.</p> <p>That zoning and gazetting of visual amenity areas will enable protection of the rural vista that characterises much of the region</p>
<p>Outputs 1</p> <p>1.1] Priority land for agriculture is identified and zoned accordingly</p> <p>1.2] State and regionally significant agricultural lands are gazetted</p> <p>1.3] Visual amenity areas and environmentally sensitive areas are identified and zoned accordingly</p> <p>1.4] Urban, rural and public land zones are updated</p> <p>1.5] Zones are established for intensive agricultural industries</p>	<p>1.1] Zoning recommendations report available by Dec 2004</p> <p>1.2] Zoning gazetted by Dec 2005</p> <p>1.3] LEPs and RLEPs are amended in each LGA to take account of significant agricultural land and visual amenity zones by Dec 2006</p> <p>1.4] LEPs and RLEPs are updated in each LGA to include new urban, rural and public land zoning by Dec 2006</p> <p>1.5] LEPs and RLEPs are amended in each LGA to include new zoning and controls for subdivision and rural residential land use by Dec 2006</p>	<p>1.1] Report publicly endorsed</p> <p>1.2] Gazette published</p> <p>1.3] Amended LEPs and RLEPs are gazetted and implemented</p> <p>1.4] Amended LEPs and RLEPs are gazetted and implemented</p> <p>1.5] Amended LEPs and RLEPs are gazetted and implemented</p>	<p>That these activities can be undertaken within the new Regional Planning Strategy process of DIPNR</p> <p>Zoning and protection of significant agricultural land will be supported by State and local governments and the regional community</p> <p>That zoning and protection of visual amenity areas will be supported by State and local governments and the regional community</p> <p>That amended zoning for rural residential development will be supported by State and local governments and the regional community</p> <p>That zoning of intensive agriculture will be supported by State and local governments and the regional community</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>1.6] An appropriate system of property rights for land, water and vegetation exists to support sustainable use of these resources</p> <p>1.7] The economic value of agriculture is recognised through employment and value adding opportunities</p>	<p>1.6] Property rights systems exist in the public arena and markets are operating</p> <p>1.7] Data on level of employment and value of agricultural production, processing and value added industries in region</p>	<p>1.6] These property rights exist in regulation / legislation.</p> <p>1.7] Published data</p>	
<p>Inputs /Actions 1</p> <p>1.1] Conduct public consultations to seek consensus on management of significant agricultural land Jun 2005</p> <p>1.2.1] Source funding for a survey to identify significant agricultural lands by Dec 2004 and establish working group to guide the survey</p> <p>1.2.2] Commission a survey to identify significant agricultural lands by May 2005</p> <p>1.3.1] Conduct public consultations and develop consensus on protection of significant visual amenity areas from Jan-Jun 2005</p> <p>1.3.2] Source funding and commission a survey to identify visual amenity areas by Jun 2005</p> <p>1.4.1] Survey and review zoning for intensive agriculture</p>	<p>1.1] Consensus report on protection of regionally significant agricultural lands demonstrating widespread consultation and consensus</p> <p>1.2.1] Funding for working group and survey achieved by Dec 2004</p> <p>1.2.2] A set of recommendations for zoning of significant agricultural lands is produced and widely supported by Dec 2005</p> <p>1.3.1] A set of recommendations for zoning of visual amenity areas is produced and widely supported by Dec 2005</p> <p>1.3.2] Funding obtained</p> <p>1.4.1] A set of recommendations for zoning of intensive agriculture use is produced and widely supported by Dec 2005</p>	<p>1.1] Consensus reports on significant agricultural lands and visual amenity areas publicly endorsed</p> <p>1.2] Surveys of significant agricultural lands and visual amenity areas commissioned and completed</p> <p>1.3] Recommendations for zoning of significant agricultural land, visual amenity areas, urban and rural residential use and intensive agriculture are published and used to update LEPs and RLEPs</p> <p>1.4.1] Recommendations for zoning of urban and rural residential use and intensive agriculture are published and used to update LEPs and RLEP</p>	<p>That public consultation will enable consensus to be achieved</p> <p>That funding and expertise for the surveys can be sourced through State funding or obtained by CMA and/or local government rates/levies.</p> <p>Significant agricultural land and visual amenity zones endorsed and implemented by State government processes</p> <p>This work is currently in progress in Eurobodalla and Bega Valley Shires but may need to be modified as a result of Outputs 1.1 to 1.3 above</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
1.4.2] Review zones that are suited to urban and rural residential land use taking account of demand and sustainability issues	1.4.2] A set of recommendations for zoning of urban and rural residential land is produced and widely supported by Jun 2005		
1.5] Conduct public consultations to seek consensus on proposed zoning and LEP/RLEP amendments	1.5] LEPs and RLEP are amended to updated zoning by Dec 2006	1.5] LEPs and RLEPs are implemented through DIPNR/LGA process	In conjunction with DIPNR regional planning strategy process
1.6.] Property rights for water, land and vegetation developed by DIPNR	1.6] Property rights markets operating effectively by 2007.	1.6] Property rights exist in law	State-wide property rights operating without conflict from other laws
1.7] DIPNR to consider agricultural processing industries in its Employment Lands Program	1.7] Opportunities created for local processing and value adding in relation to agricultural produce	1.7] Employment Lands reports	Regional processing may create economies of scale for local value adding opportunities

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>OBJECTIVE 2</p> <p>2] To promote the development of a cohesive set of land uses that best encapsulate the region’s vision for the future, by 2010</p>	<p>2] Outputs are achieved; new codes of practice are implemented that promote sustainable development and protect the visual amenity and rural character of the region</p>	<p>2] Evaluations of land use trends and development issues in the region in 2005 and 2010 shows that land uses are cohesive, conflict is reduced and development is sustainable</p>	<p>That development guidelines and codes of practice will bring about a pattern of land use that is cohesive, productive, sustainable and desirable</p>
<p>Outputs 2</p> <p>2.1] Codes of practice exist for acceptable rural land use and these are consistent across local government areas within the region</p> <p>2.2] Visual development codes exist for target “visual amenity” areas and environmentally sensitive areas</p> <p>2.3.1] Guidelines and controls are placed on land use in the significant agriculture land zone including controls on subdivision and rural residential land use</p> <p>2.3.2] Codes of practice and zoning allow for acceptable (health, noise and environment) processing of agricultural products on site to enable value adding</p> <p>2.4] Guidelines and controls are placed on intensive agriculture in visual amenity areas but zones are established that promote development of intensive agriculture</p>	<p>2.1] Consistent codes of practice produced and implemented across LGAs in the region by Dec 2006</p> <p>2.2] Codes of practice for visual amenity and environmentally sensitive areas are implemented by Dec 2006</p> <p>2.3.1] Guidelines and controls are implemented for the significant agricultural lands by Dec 2006</p> <p>2.3.2] Guidelines and controls are implemented for the all rural lands by Dec 2007</p> <p>2.4] Codes of practice and guidelines encourage growth and preserve visual amenity</p>	<p>2.1] Consistent codes of practice are gazetted and enabled</p> <p>2.2] Visual amenity areas are gazetted by Dec 2006</p> <p>2.3] Amended LEPs and RLEPs are gazetted and implemented including guidelines and controls for significant agricultural lands and visual amenity areas by Dec 2006</p> <p>2.4] Evaluations of land use and development issues in 2005 and 2010 indicate that codes of practice and guidelines are working</p>	<p>That these activities can be undertaken within the new Regional Planning Strategy process of DIPNR</p> <p>Codes of practice and development guidelines can be implemented through controls and incentives</p> <p>That codes of practice/development guidelines will become generally accepted and not constantly challenged</p> <p>Codes of practice have appropriate legal status (such as DCP) to ensure compliance</p> <p>That the benefits of locating in an intensive agriculture zone will attract intensive industries away from the visual amenity areas</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>2.5] A range of intensive agriculture industries established in the intensive agriculture zones by 2010</p> <p>2.6] Mechanisms are available by 2008 to enable cost sharing of public benefits on agricultural lands where appropriate</p>	<p>2.5] Intensive agriculture operating in the intensive agriculture zones by 2010</p> <p>2.6] Rural land owners are compensated for public landscape benefits that they manage</p>	<p>2.5] A survey in 2010 shows that intensive agricultural industries have established and expanded in the intensive agriculture zone</p> <p>2.6] public reports of any cost sharing program</p>	<p>There is widespread recognition that some landowners in the rural area are required to undertake public benefit landscape management actions for which they gain no profitable benefit</p> <p>That cost sharing has been adequately discussed within the community prior to introduction, the expenditure guidelines are equitable and the process is transparent.</p>
<p>Inputs /Actions 2</p> <p>2.1.1] Determine guidelines and controls for land use and subdivision (without dwelling entitlement) in the significant agricultural land zone that promote the growth of sustainable agriculture</p> <p>2.1.2] Determine guidelines and codes of practice for the visual amenity areas that protect the rural vista</p> <p>2.1.3] Determine guidelines and codes of practice for intensive agriculture that support its continued growth but minimise conflict with other land uses</p> <p>2.2.1] Conduct public consultations to seek consensus on proposed codes of practice and development guidelines</p> <p>2.2.2] A review of the governance process for codes of practice is undertaken to</p>	<p>2.1.1] Recommendations for management of significant agricultural lands are produced and widely supported by Dec 2005</p> <p>2.1.2] A set of recommendations for management of visual amenity areas is produced and widely supported by Dec 2005</p> <p>2.1.3] Recommendations for management of land for intensive agriculture are produced and widely supported by Dec 2005</p> <p>2.2.1] Recommendations for visual amenity areas, significant agricultural land and intensive agriculture endorsed as codes of practice and development guidelines and incorporated into LEPs / RLEPs and NSW planning mechanisms by Dec 2006</p> <p>2.2.2] Council and DIPNR ‘roundtable’ undertaken to review governance by Dec</p>	<p>2.1] New codes of practice are published and used to update LEPs and RLEPs, and state government planning mechanisms</p> <p>2.2.1] Reports from public consultation meetings show that consensus has been achieved and that the codes of practice are widely supported</p> <p>2.2.2] Publicity undertaken about the purpose and status of codes of</p>	<p>That codes of practice, guidelines and development controls will be generally supported</p> <p>That codes of practice, guidelines and development controls will be implemented to guide future development in a way that promotes growth and preserves visual amenity</p> <p>That codes of practice are an effective and cost efficient mechanism for reducing land use conflict and facilitating appropriate, sustainable use of land for agriculture</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>strengthen their operational value</p> <p>2.3] Endorse codes of practice/guidelines and incorporate them into local and State government development planning and approval processes</p> <p>2.4] DIPNR to develop guidelines for intensive agricultural activities in visual amenity areas as per 2.1.2</p> <p>2.5] Private sector development for intensive agriculture</p> <p>2.6] Southern Council Group investigates mechanisms for cost sharing that transparently use ratepayer funds for rural landscape benefits</p>	<p>2004</p> <p>2.3] The codes of practice and development guidelines are implemented through local and state government development approvals and planning processes by 2006</p> <p>2.4] As for 2.1.2 and 2.1.3 above</p> <p>2.5] Extent of new development</p> <p>2.6] Operation of cost sharing mechanisms is investigated by end 2007 to enable urban landowners and tourists to contribute to the maintenance of the desired rural landscape amenity</p>	<p>practice for rural land use</p> <p>2.3] New proposals are assessed and developed according to the new codes of practice and development guidelines</p> <p>2.4] As for 2.1. above</p> <p>2.5] Council records</p> <p>2.6] Report of investigation available</p>	<p>Cost sharing can be an appropriate mechanism to assist rural landowners to comply with codes of practice where the outcome is a public benefit that does not impact on private profitability</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>OBJECTIVE 3</p> <p>3] Agricultural enterprises and industries are operating at commercial potential throughout the region by 2015</p>	<p>3] Increases in the annual productivity of agricultural and related industries</p>	<p>3] Aust Bureau of Statistics data</p>	<p>That the recommended measures will boost agriculture in the region and enable local industries to expand and reach their full potential</p>
<p>Outputs 3</p> <p>3.1] Agricultural R&D programs are supporting agricultural development with government and private sector resources</p> <p>3.2.1] Financial institutions understand the benefits of investing in agriculture as an integral part of regional development</p> <p>3.2.2] The productive use of land is enhanced by promotion of leasing, share-farming and other cooperative arrangements</p> <p>3.3] State agencies, CMA and financial institutions promote the use and benefits of integrated property plans</p> <p>3.4] Agricultural industries are benefiting from the operation of ‘cluster groups’ and/or cooperatives for economies of scale and marketing</p> <p>3.5] Regional transport facilities and other local infrastructures enable efficient distribution of agricultural inputs and products</p> <p>3.6] Local labour market services and vocational training courses exist to</p>	<p>3.1.1] Landscape management committees obtaining appropriate technical advice</p> <p>3.1.2] Annual agricultural technology forum R&D summary</p> <p>3.2.1] Survey of attitudes of financial institutions to investment in agriculture conducted at industry forums and used as basis of next forum</p> <p>3.2.2] Survey of financial institutions to indicate the extent of leasing, share-farming and cooperative arrangements</p> <p>3.3] Property management planning schemes operating through state agencies</p> <p>3.4.1] Benefits of clusters and cooperatives are discussed at agricultural forums</p> <p>3.5] Southern Council Group meets annually with transport and other infrastructure authorities to discuss transport of agricultural inputs and outputs, and the operation of other infrastructure</p> <p>3.6] Farmers report suitable skilled labour is available</p>	<p>3.1.1] Committee reports as per 1.3</p> <p>3.1.2] Publication of agric tech forum report</p> <p>3.2.1] Report of financial survey made to Southern Council Group</p> <p>3.2.2] Report of financial institution forum made to Southern Council Group</p> <p>3.3] Annual property planning program report by agencies</p> <p>3.4] Forum reports</p> <p>3.5] Public report of meetings</p> <p>3.6] Reports at agricultural forums</p>	<p>That Landscape Management Committees (LMC), can operate in association with local government and the CMA to provide a mechanism for improved local decisions about the sustainable use of rural lands in a way that is consistent with the Vision.</p> <p>That there is support and funding for the forums and courses etc and that they are made relevant to the needs of beneficiaries.</p> <p>That the promotion of ‘Clusters’ and ‘Cooperatives’ only occurs if there are demonstrable benefits</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>support the needs of farm enterprises and value adding industries</p> <p>3.7] Increased community skills in change management and local community development</p>	<p>3.7] Community development ideas generated through rural forums and committees</p>	<p>3.7] Forum reports</p>	
<p>Inputs /Actions 3</p> <p>3.1.1] Landscape Management Committees (LMC) encouraged through their Charter to seek technical information</p> <p>3.1.2] NSW Agric and DIPNR conduct annual agricultural technology forum commencing May 2004</p> <p>3.1.3] Forums to promote R&D opportunities to local research providers</p> <p>3.2.1] NSW Departments of Agriculture and State and Regional Development conduct agricultural investment forum for financial industry every two years</p> <p>3.2.2] financial institution attitude survey in association with forum to enable provision of appropriate technical information to financial industry</p> <p>3.3] NSW Agric promotes the advantages and disadvantages of leasing, share-farming and cooperatives in media releases on a regular basis and at financial forums</p>	<p>3.1.1] Responsibility identified in charter of Landscape Management Committees and these are operated under the auspices of the CMA with operational support through local government</p> <p>3.1.2] Each forum reviews new technology and technology gaps for the 15 CAAs plus 2 extra industries each year</p> <p>3.1.3] Forum to refer vocational training requirements to Activity 3.5.1</p> <p>3.1.4] Forum documents sent to R&D providers(eg Uni of Wollongong Access Centre)</p> <p>3.2.1] Every two years these forums provide information on industry opportunities and performance to financial advisors</p> <p>3.2.2] Survey conducted, results analysed and discussed at forum</p> <p>3.3] Information collated and presented in appropriate documentation to media and other suitable outlets</p>	<p>3.1.1] Committee charters published</p> <p>3.1.2] Forum reports published</p> <p>3.1.3] Forum document published</p> <p>3.1.4] Forum document published</p> <p>3.2] Report of forum made to SCG</p> <p>3.3] Media reports</p>	<p>Realistic budgets can be provided for all activities through CMA, agencies, local government or government program support.</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>3.4] Local government economic development officers and NSW Agriculture provide information to LMC/Forums about advantages and disadvantages of cluster and other cooperative developments</p> <p>3.5] Transport and local infrastructure issues raised in landscape management committees and annual agricultural forums for reporting to regional group of councils to use in transport meeting</p> <p>3.6.1] NSW DSRD and the Area Consultative Committees (ACC) work with vocational training and distance education providers to generate agriculture related courses including topics referred from Agric Forums in 4.1.2</p> <p>3.6.2] NSW DSRD and the Area Consultative Committees to promote agricultural and related employment opportunities to brokers and in media releases</p> <p>3.7] Courses in ‘change management’ and ‘community development’ provided to meet need</p>	<p>3.4.1] Information sessions at LMC and Forum meetings</p> <p>3.4.2] Funding obtained for cluster/cooperative development administration support obtained through DSRD</p> <p>3.5] Annual transport/infrastructure meeting organised and agenda prepared.</p> <p>3.6] Reports on training and employment promotional activity plus provider/broker feedback to SCG and agricultural forums and ACC</p> <p>3.7] Reports on training provided to SCG and ACC re training provided</p>	<p>3.4] Forum and LMC reports</p> <p>3.5] Annual meetings held, representations made and report to SCG</p> <p>3.6] Reports publicly available</p> <p>3.7] Reports publicly available</p>	<p>Information on agriculture needs provided to SE Area Transport Strategy, Princes Highway Task Force, Eden Wharf and Port Kembla development organisations.</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>OBJECTIVE 4</p> <p>4.] The region is widely recognised as a provider of exceptional agricultural produce and tourist experiences.</p>	<p>4.1.] Regional branding across a range of high quality locally produced and value added product is widely recognised and supported</p> <p>4.2.] Tourism is closely linked with agricultural enterprises that achieve a significant proportion of their income from tourism</p>	<p>4.1.] Regional brands are available across Australia and internationally and attract premium prices</p> <p>4.2.] Regional tourism statistics show upward trend in returns associated with agricultural tourism</p>	<p>4.1.] The region can develop and sustain a critical mass of high quality agricultural produce industries</p> <p>4.2.] Visitors to the region are interested in agricultural tourism</p>
<p>Outputs 4</p> <p>4.1.] An effective (strengthened), unified marketing program operates to promote the region and its products (locally, nationally, internationally)</p> <p>4.2.1.] Quality agricultural produce is linked with regional marketing</p> <p>4.2.2.] Agricultural and food industry groups operate regional quality assurance branding schemes</p> <p>4.3.] Tourist products features the diverse natural resources (including bush tucker) of the region and this includes the rural hinterland with sustainable agricultural industries</p> <p>4.4.] A regional food and beverage industry is based on local agricultural and related produce</p>	<p>4.1.1.] Regional brand marketing campaigns are well supported</p> <p>4.1.2.] Sustained growth in penetration of local, national and international markets</p> <p>4.2.1.] Sustained growth in returns for niche and quality local produce</p> <p>4.2.2.] local produce is widely marketed under the regional brand with QA</p> <p>4.3.1.] Growth in the range and number of agricultural tourism experiences</p> <p>4.3.2.] Growth in returns from agricultural tourism</p> <p>4.4.] Regional produce widely promoted and sold in local restaurants and retail outlets</p>	<p>4.1.] Profile of the regional branding in the market place</p> <p>4.2.1.] Range and quantity of produce marketed under the regional brand</p> <p>4.2.2.] Regional agricultural commodity markets and sales statistics</p> <p>4.3.1.] Regional tourism statistics published</p> <p>4.3.2.] Number of tourism events promoting regional agricultural produce</p> <p>4.4.] Range and number of local businesses primarily selling regional produce</p>	<p>Regional producers want to participate in a regional marketing campaign</p> <p>The region can sustain a critical mass of high quality and niche agricultural industries</p> <p>Visitors to the region are interested in rural tourism</p> <p>Sufficient produce can be reliably produced to support a regional food and beverage industry</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>Inputs /Actions 4</p> <p>4.1.1] Local government tourism and economic development officers and private sector bodies jointly develop the basis of a marketing program</p>	<p>4.1.1] Marketing plan produced and widely supported in the region (with inclusion of existing programs) by industry groups and agricultural marketing agencies</p>	<p>4.1.1] Marketing plan content and strategy shows wide ownership with full range of agricultural industries and tourism linkages</p>	<p>The key stakeholders see marketing of agricultural produce as a priority for regional development</p>
<p>4.1.2] Development funding is obtained and the campaign commercially operated</p>	<p>4.1.2] Appropriate development funding is provided (possibly in association with Partnerships Program through ACC) and then campaign is operated by private beneficiaries</p>	<p>4.1.2] Funding levels are sufficient to implement the campaign</p>	<p>Funding is available and the region can compete successfully for adequate funding</p>
<p>4.1.3] The campaign is regularly reviewed and updated for maximum impact on target audiences</p>	<p>4.1.3] The marketing plan includes a monitoring and evaluation process that enables monitoring, review and modification</p>		<p>Outcomes of M&E are used to update the campaign to maximise impact on target audiences</p>
<p>4.2.1] The feasibility of a regional QA branding entity is established jointly by participating agricultural industries under the auspices of the Illawarra and South Coast ACCs</p>	<p>4.2.1] Feasibility of user pays approach to the branding entity is carried out</p>	<p>4.2.1] The feasibility report is publicised</p>	<p>Agricultural industries in the region want to participate in a regional QA branding exercise</p>
<p>4.2.2] If considered beneficial the branding entity is developed, operated and promoted on a beneficiary pays basis</p>	<p>4.2.2] A QA branding entity is established and widely supported by participating agricultural industries for whole south coast</p>	<p>4.2.2] Qualitative measures of returns from the campaign</p>	<p>Impacts and beneficiaries can be accurately determined</p>
<p></p>	<p>4.2.3] Regular monitoring, evaluation and revision</p>	<p>4.2.3] Evaluation recommendations are implemented</p>	
<p>4.3.1] A regional tourism council is formed and develops a promotional strategy to market the natural and agricultural landscape features</p>	<p>4.3.1] The regional tourism council actively and regularly promotes agricultural tourism in the region at a range of events and activities</p>	<p>4.3.1] Number and range of events and activities promoting agricultural tourism in the region</p>	<p>Rural tourism has considerable growth potential in the region</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>4.3.2] An agriculture and tourism liaison committee operates to promote rural tourism and address issues of mutual support</p> <p>4.4] The regional restaurant industry develops a strategy to promote regionally branded food and beverages</p> <p>4.5] Local governments coordinate the support and promotion of local grower markets, food festivals and other local product opportunities</p>	<p>4.3.2] Sustained growth in regional rural tourism</p> <p>4.3.3] The agriculture and tourism liaison committee of the regional tourism council works to promote rural tourism</p> <p>4.4.1] A strategy is produced and widely supported and regularly reviewed</p> <p>4.4.2] Regional restaurants sell and promote a range of regionally branded food and beverages</p> <p>4.5] Grower markets etc are regularly held in the major regional towns and include a wide range of regional produce</p>	<p>4.3.2] Regional agricultural tourism statistics</p> <p>4.3.3] Reports of successful rural tourism events</p> <p>4.4.1] An increasing proportion of produce sold in regional restaurants is regionally branded</p> <p>4.4.2] Regional restaurants display promotional material for regionally branded produce</p> <p>4.5] Number, frequency and size of grower markets</p>	<p>There is support for and willingness to participate in rural tourism by regional agricultural entities</p> <p>A wide range of high quality local produce can be regularly supplied to regional restaurants</p> <p>Local governments will support grower markets</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>OBJECTIVE 5</p> <p>5] By end 2010, 75% of the community is actively supporting productive agriculture as a key part of the rural landscape fabric of the region.</p> <p>Outputs 5</p> <p>5.1] The community is aware of the importance of agricultural development through a range of public forums and processes</p> <p>5.2] The operation of this strategy is adequately funded through private and public sources with appropriate cost sharing</p> <p>5.3] Landscape management committees (LMCs) operating for appropriate sub-catchment areas (within the CMA structure) with a charter requiring public input to all landscape management decisions and any cost sharing funds</p> <p>5.4] An effective regional promotion program operates that markets the regional rural landscape vision</p>	<p>5] 75% of the community support the concept and Objective</p> <p>5.1.1] There is strong support for planning provisions in council meetings and Land and Environment Court appeals are reduced</p> <p>5.1.2] Councils facilitate regular public discussion forums on rural landscape management</p> <p>5.2.1] Southern Council Group (SCG) responsible for initiating and securing funding commitments from public and private stakeholders</p> <p>5.2.2] Strategy funding report at forums by SCG</p> <p>5.3.1] Landscape management committee (LMC) fully operational and supported by council funds and technical inputs</p> <p>5.3.2] LMCs providing councils and the CMA with advise on the expenditure for cost sharing on an annual basis</p> <p>5.4] Regional promotion program operating with Board of Directors, strategic plan, business plan and public reporting arrangements</p>	<p>5] Community survey</p> <p>5.1.1] Council meeting minutes and DA applications are consistent with policy</p> <p>5.1.2] Public reports in media of discussion forums outcomes</p> <p>5.2.1] Public reports in media of discussion forums outcomes</p> <p>5.3.1] Committee reports as public documents by end July each year</p> <p>5.4] Annual reports of the Board and visible evidence of promotional activities</p>	<p>For this to be feasible all of the actions below will need to be implemented or substitute actions undertaken to build on changes</p> <p>It is assumed that the level of community and political support for natural resource management and landscape benefits is a real trend that will continue to increase rather than wane as simply a fad.</p> <p>It is also assumed that the other 5 Objectives will support this primary objective and the Vision.</p> <p>Landscape Management Committees will be integrated with the Catchment Management Authority but work specifically through the relevant council as the LMC has a more local charter.</p> <p>It is assumed that all local councils</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
5.5] Local members of all levels of government actively campaign on the theme of the regional vision	5.5] Local members as regular speakers at public landscape forums arranged as per 1.1.2	5.5] As per Output 1.1.2	will jointly support the Vision and the Objectives such that the Southern Councils Group can coordinate the strategy.
5.6] State natural resource agencies are judged as being appropriately responsive to the vision	5.6.1] Agency support assessed annually by LMCs through their reports and the forums	5.6.1] As per Output 1.3.1 above	
Inputs /Actions 5	5.6.2] Agency support reported upon in council SOE reports and in CMA reports	5.6.2] As per the annual reports of these bodies	It is assumed that the actions indicated are appropriate for the desired outputs and that funding and other support will be made available
5.1.1] Councils to fund and conduct a joint community education program to explain the principles of landscape development	5.1.1] Details of program content, timetable and funding made public by Dec 2004	5.1.1] Public document	
5.1.2] All councils to organise regular public discussion forums on current issues for landscape management	5.1.2] Each council to organise at least 2 discussions per year with appropriate agenda, speakers, venue and funds – with the first to be by end June 2004	5.1.2] As per Input 1.1.2 above	
5.2] Southern Council Group (SCG) to review the operation of the strategy by July 2005 and consider financial needs to improve effectiveness	5.2] Public report of the review	5.2] Report of investigation available	
5.3.1] SCG to establish the charter for landscape management committee, the basis of membership and operational guidelines	5.3.1] Charter available for stakeholder consultation by June 2004, charter and operational guidelines agreed by Dec 2004, members appointed and committees operational by July 2005	5.3.1a] Community consultation process	
5.3.2] Each council to decide the basis of providing funds and technical support with guidelines by SCG	5.3.2] Council support commences July 2005 and committees operational by Dec 2005	5.3.1b] Public announcement of committee membership and purpose 5.3.2] Reports by committees to council tabled as public documents	

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
5.4.1] SCG develops basis for tendering the development of promotional program with funding from Federal and State regional development funds	5.4.1] Tender documents by Sep 2004 and program recommendations by Mar 2005	5.4.1] Tender documents public and announcement of contract	
5.4.2] program operational with industry funding	5.4.2] industry agreements in place and program operational by Jan 2006	5.4.2] Public promotions commence	
5.5] SCG meet with all local members of state and national government to explain the total strategy to them and indicate desired level of involvement	5.5.1] Public statement by regional council group 5.5.2] Public statements of support by local members	5.5] Media reports	
5.6.1] SCG meet with all relevant agency Regional Directors to explain the total strategy to them and indicate desired level of involvement of their agency	5.6.1] public statement by regional council group	5.6.1] Media reports	
5.6.2] SCG to lobby relevant Ministers if issues unresolved with agencies	5.6.2] Statements of support by regional directors		

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
<p>OBJECTIVE 6</p> <p>6] Strong and consistent political and public sector support for the vision and strategy</p>	<p>6] Political policy statements and agency programs contain positive support for the vision and strategy</p>	<p>6] Analysis of public statements and agency annual reports</p>	<p>That the outcome of Objective 1 is strong and positive.</p>
<p>Outputs 6</p> <p>6.1] Local politicians at all three levels of government support the strategy as part of their local policies</p> <p>6.2] State agencies have appropriately staffed and funded offices within the region by Dec 2005 and staff are active in strategy projects</p> <p>6.3.1] State agency staff actively coordinating policies and programs to support the vision and strategy</p> <p>6.3.2] CMA linked into the strategy and coordinating actions through its Blue Print to support the vision</p> <p>6.4] Local government policies are consistent with the vision</p>	<p>6.1] Policy statements issued that support the regional landscape vision and the associated program activities</p> <p>6.2.1] Statements of support for the approach by regional directors</p> <p>6.2.2] Agency staff available to support regional vision activities through landscape management committees</p> <p>6.3.1] Agency policies developed and publicised that are consistent with the regional landscape vision</p> <p>6.3.2] Agency research, development and training programs that acknowledge the vision objectives/strategy and provide the basis for land users to operate within them</p> <p>6.4.1] Local government policies developed and publicised that are consistent with the regional landscape vision</p> <p>6.4.2] Local government works programs that acknowledge and operate consistent with the vision objectives and principles</p>	<p>6.1] Public statements as per 1.5</p> <p>6.2.1] Public statements as per 1.6</p> <p>6.2.2] Annual reports of committees as per 1.3</p> <p>6.3.1] Agency annual report and specific program reports</p> <p>6.3.2] Annual report of CMA</p> <p>6.4.1] Local government annual reports and SOE reports</p> <p>6.4.2] Level of public comment that council works are consistent with or contrary to the principles and practice of the vision</p>	<p>It is assumed that positive community desire for the Vision will be a strong driver for change at all levels.</p> <p>It is assumed that the community will actively support and commend politicians and agencies that are operating to support the vision to the best of their ability and resources</p>

Narrative Summary	Milestone or Key Indicator	Achievement criteria	Assumptions
6.5] Local government budgets enable appropriate actions to support the strategy	6.5.1] Council management plans and budget 6.5.2] Reports of landscape management committees	6.5.1] Published plans and budgets 6.5.2] Published annual reports as per Output 1.3	
<p>Inputs /Actions</p> <p>6.1] As per Input 5.5 - SCG meet with all local members of state and national government to explain the total strategy to them and indicate desired level of involvement</p> <p>6.2] As per Input 5.6 - SCG meet with all relevant agency Regional Directors to explain the total strategy to them and indicate desired level of involvement of their agency</p> <p>6.3.1] Negotiation between regional council group and relevant agencies on a case by case basis for policy development or program operations</p> <p>6.3.2] CMA to consider the Vision and strategy in formulating the Catchment Blueprint and any review of its targets or priorities</p> <p>6.4] Each council to review its policies by Dec 2004 to assess their compatibility with the landscape vision objectives and any anomalies rectified by Dec 2005</p> <p>6.5] Budgets for each council to be framed after inputs from public forums and landscape management committees</p>	<p>6.1] As per Input 5.5</p> <p>6.2] As per Input 5.6</p> <p>6.3.1] Scheduled annual meetings with individual agency directors and program managers to discuss collaboration on the landscape vision</p> <p>6.3.2] Consultation with CMA about agency program objectives and priorities</p> <p>6.4] Council annual reports and public forums</p> <p>6.5] Council budgets and management plans</p>	<p>6.1] As per Input 5.5</p> <p>6.2] As per Input 5.6</p> <p>6.3] Reports of annual consultations made public at forums conducted as part of activity 1.1.2</p> <p>6.4] Published reports and statements to the community at annual landscape forums</p> <p>6.5] Public documents and statements</p>	<p>Assumed that the new CMA will also be involved in supporting the vision and assisting to align political and agency activity</p> <p>It is assumed that the CMA will recognise the landscape Vision and consider how to assist with the Goal and Outcomes stated in the strategy</p> <p>It is assumed that all local councils will jointly support the objectives with policies and budgets such that the regional group of councils can coordinate the strategy</p>

This report has been commissioned by IROC to assist IROC in considering the potential for agricultural diversification in the southern Illawarra region. The report has been prepared with due care and diligence however the factual material appearing in the Reports and conclusions drawn have been brought together by reference to our terms of engagement with IROC. Readers should make their own enquiries prior to using any of the information contained herein. Neither IROC nor URS are liable for any damages associated with the use of the information.