

## **The Loss of Peri-urban Agricultural Land and the State-local Tensions in Managing its Demise: The case of Greater Western Sydney, Australia**

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### **Introduction**

Cities globally have witnessed rapid growth, with the world's population becoming more urban than rural over the last decade. In Australia, this has led to rapid urban expansion into the peri-urban fringes to provide housing and services for its population (Carey et al 2011; Buxton & Butt 2020). The subsequent loss of agricultural land is largely seen as a market driven process (James 2016; Martinez-Jimenez, Perez-Campuzano & Ibarra 2017; Clarke 2017), however increasing attention has been given to the contributory role of land use planning policy, systems, and public actors in specific contexts (Hamblin 2009; Gurrán 2011; McFarland 2015).

This study examines the drivers of peri-urban agricultural land loss in Greater Western Sydney (GWS), one of the fastest growing peri-urban regions in Australia, and on the particular contribution of government planning policy and resultant tensions between state and local government decision making. The objectives of the study are three-fold:

1. To determine the current size and value of peri-urban agriculture land in GWS, and the extent of its loss over time,
2. To examine the price differential between rural and housing land uses, and the ways in which market forces have influenced land use conversion, and
3. To investigate the role of government agencies in managing the loss – or preservation – of peri-urban agriculture land in the context of on-going housing pressures.

### **Methods**

The first research stage quantified the value and extent of peri-urban agriculture, urban encroachment and housing growth for the GWS region. Existing government datasets were analysed for the most recently available time periods and the finest geographical level available. The second research stage supplemented the quantitative analysis with semi-structured interviews with 15 planning professionals in early 2021. Interviews were thematically analysed to verify trends observed in the datasets; to tease out the value of retaining peri-urban agricultural land; to understand state-local tensions in managing growth pressures whilst preserving agricultural land; and to understand the role of metropolitan planning bodies (in this case, the Greater Sydney Commission (GSC)) in alleviating these tensions.

## **Quantitative data results**

Results include the following:

- ABS agricultural commodities data revealed that GWS continues to be a significant food bowl, with the estimated total value of agricultural output in the region just over \$597 million in 2015/16.
- ABS Mesh Block data showed land classified as 'primary production' in GWS reduced by 193,124.7 ha between 2011 and 2016. By correlation, other land uses increased, including 'residential' (+10,961.2 ha).
- Nearthmaps imagery reinforced that much of the residential development in GWS is being concentrated in designated Growth Areas and existing urban centres, however there is also slow but steady residential sprawl occurring outside these areas.
- There is difficulty in containing growth pressures, with market players keen to capitalise on land value uplifts. NSW Valuer General data confirmed the value of rural land per hectare in GWS is much lower than land zoned as residential development.
- Housing supply forecast data predicts that GWS will supply approximately 61% of Greater Sydney's new dwellings between 2020/21 to 2024/25, giving landowners ongoing incentive to consider residential and urban uses for their land.

## **Qualitative interview results**

Results include the following:

- Local government planners outlined the challenges of working in a planning system that prioritises State-led government policies, particularly in designated Growth Areas.
- State government planners defended the loss of agricultural land as 'acceptable' on the basis it was planned for by previous government policy.
- Mixed views on whether the GSC was keeping future urban development within existing growth areas and urban centres, while also preserving peri-urban agricultural land in areas categorised as Metropolitan Rural Areas.
- Interviews suggested an increasing recognition by State government of the value of preserving peri-urban agricultural land in GWS to assist in mitigating shocks and stresses, such as floods.

## **Discussion and conclusion**

This study offers critical insights into the interplay between market and planning processes. The size, value, and extent of agricultural land and activities has been historically undervalued in peri-urban regions, such as GWS, relative to 'higher and better' uses such as housing. The reasons for loss of peri-urban agricultural land is more than a largely market driven process, and the key contributory role of planning policy, systems and actors cannot be underestimated.

There are tensions between state and local government decision-making in managing population growth and housing pressures while trying to protect existing peri-urban agricultural land and activity. Yet recent shocks and stresses has led to some fruitful questioning of pro-growth agendas. Further debate on how peri-urban agricultural land is valued in land use policy development and decision-making is needed, as well as how local planners can be better supported in preserving this land use in their municipalities.

## **References**

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