

CORRECTED VERSION

OUTER SUBURBAN/INTERFACE SERVICES AND DEVELOPMENT COMMITTEE

Inquiry into farmers' markets

Melbourne — 7 July 2010

Members

Mr N. Elasmar	Mr C. Langdon
Mr M. Guy	Mr D. Nardella
Ms C. Hartland	Mr G. Seitz
Mr D. Hodgett	Mr K. Smith

Chair: Mr G. Seitz

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Executive Officer: Mr S. Coley
Research Officer: Ms K. Delaney

Witnesses

Mr I. Ada, agribusiness, Yarra Ranges Shire Council (affirmed);

Mr P. Arnold, director, Regional Farmers Markets Pty Ltd (affirmed);

Mr A. Eagle, secretary, Hawkesbury Harvest (affirmed);

Ms S. Edmonds, executive officer, Victorian Farmers Markets Association (affirmed);

Mr N. Flannigan (affirmed);

Mr P. Jackson, business development officer (affirmed), and

Mr V. Morris, agribusiness officer, Cardinia Shire Council (affirmed); and

Mr A. Sherry, executive director, food and beverage, Department of Innovation, Industry and Regional Development (affirmed).

The CHAIR — I declare the meeting open. I welcome you and thank you for your attendance. I will ask you to take the oath or affirmation. The reason we do that is that Hansard is recording your evidence, and we will then be able to attribute your comments to you in our report. If we do not ask you to take the oath or affirmation, we can say that this or that was said but we cannot attribute it to anybody. When we write a report it is important that it is not just the committee's report, or that we have grabbed something out of the air, but that people have told us things and we have discussed it. We need your name and address so we can send you a copy of the transcript.

Mr FLANNIGAN — My name is Nigel Flannigan.

Mr EAGLE — My name is Alan Eagle from Hawkesbury Harvest.

Mr ADA — I am Ian Ada of 62 McConnell Street, Kensington 3031.

Mr SHERRY — I am Anthony Sherry. My address is 33/121 Exhibition Street, Melbourne.

Ms EDMONDS — My name is Samantha Edmonds. My address is 12 Hutchinson Street, East Brunswick.

Mr ARNOLD — I am Peter Arnold. My address is P. O. Box 165, Meeniyan.

Mr MORRIS — My name is Vincent Morris, and I am from Cardinia shire, which is at P. O. Box 7, Pakenham 3810.

Mr JACKSON — I am Philip Jackson, and my address is P. O. Box 7, Pakenham 3810.

The CHAIR — As I said before, thank you very much for coming. The committee is very interested to hear your opinions and comments. The aim here is not for you to reiterate your written submissions or the comments you have made to the committee before, but that we have a real dialogue about some of the issues. This is a round table discussion, so it is not intimidating; in that sense we are very relaxed, even if my colleague Don Nardella gets argumentative at times at my rulings.

Mr NARDELLA — Not today.

The CHAIR — I am just trying to break the ice. We are quite relaxed. You will get a copy of the transcript in due course, and you can read it through to see if there are any typographical errors. That is the reason why we ask for your names and addresses. It is also so we can attribute your comments in our report. We are all busy people and we appreciate your coming here today; it is really important. This committee is looking into farmers' markets. This is an election year, and a lot of my colleagues are busy as well. We intend to have our report finished and tabled before the election — —

Mr NARDELLA — The state election.

The CHAIR — So it will get to the current government for its consideration. We have already visited some farmers' markets. There is one in Keilor. It is called a farmers market, and it is operated once a month by the Rotary club in Keilor Village.

We would like to hear from you about the issues as you see them. What problems are encountered? Does anybody have any comments from the point of view of stallholders? Do they have to get different food handling licences or whatever permits they need from each municipality? Can they get one that covers whatever region they are working in so they do not have to apply to each municipality individually? What is the situation with market operators? How do they function, and who sponsors and manages a market? Is it local government or, as in the case of the one that we had a look at last Sunday in David Hodgett's area, is it through the Rotary clubs?

Basically that is it. The meeting will be very informal. I would like you to talk about the benefit of farmers' markets; and whether they are increasing in popularity. Why do you think that is happening? What is the importance of a farmers market to a local community and issues like that. Could you also talk about food security? I attended a market at Kinglake where a proposal has been put up for the Kinglake region that they run an internet system, so that one small farmer grows certain vegetables on his lot and another grows other vegetables so they are not all growing the same vegetables and they do not all clash. So it would be one farmer supplying carrots or cabbages and another farmer supplying potatoes. They could have an internet system so

they can be more orderly and have a community food supply chain in their own region. It was quite novel that they were talking that up. They reckoned they would need about 1000 families to register, and then they would have the farmers who would participate so they could make the operation viable for farmers in that area. There are a lot of novel ideas that people have.

In relation to farmers and stallholders, are there enough farmers to meet demand? Why are there not more farmers involved? Is there any specific training or information needed that the department could provide? Are there any complex programs that seek to help new farmers to enter into the markets? I am talking here about hobby farmers. The committee has travelled overseas and visited farmers' markets in areas where there are restrictions and other regions where there are well-organised farmers' markets operating. They do not only sell vegetables; they also sell flowers. There are also the u-pick programs and places where there are cafes with a market. In some areas there are restrictions so farmers cannot have a u-pick operation and run a cafe as well, which could make a day outing for a family. That is a different trend. We would like to hear about all of those things, and not just restrict our discussion to the actual day of the market.

We would also like to hear about the authenticity of farmers' markets and who you let in — what stallholders and so forth. Are there any restrictions? What are the issues there? What about starting up? Some small grants have been given by the department to different weekend markets. There is one in Caroline Springs, as Don would know. That market was given a grant through the state government and also through the Melton shire to start up.

Could you also please talk about location? As we know, the location of a McDonald's is everything, so that people can find the market. Sometimes showgrounds are used, sometimes it is open air or parklands or whatever is available. Also, what is the future of farmers' markets? How many more should be encouraged? Should markets be held weekly or fortnightly? Should they be based in different areas in the regions and in isolated hamlets and townships? Would they be run by the same operators doing one weekend in one place and then moving somewhere else? On the Bellarine Peninsula they do not have farmers' markets; they just have weekend markets where a lot of farmers come in with their products. They have the market in St Leonards, then they have it in Portarlington and then they have it at Queenscliff. The market moves around. The Drysdale market is held on a Sunday. The market moves from one town to another during the month. I will leave it at that. Which one of you will start? We are in your hands.

Mr ARNOLD — When this business started, it started off with the law of supply and demand insofar as there were very few markets and there were plenty of stallholders to pick from. In fact when we started the first one in metropolitan Melbourne — in Collingwood — we actually had to talk people into coming to a farmers market because they had no idea what a farmers market was.

Since then the industry has grown like topsy to the point where markets are springing up everywhere, but they are springing up without really any research. It has almost gone past the 100th monkey effect to where people think, 'This is a nice area. I think I will open a farmers market'. But they have done no research, they do not know where to get stallholders, and they open them up on a wing and a prayer. Yes, they may get a government grant, but it takes a lot more than \$10 000 to get a market up and running.

The power has shifted from the market organisers to the stallholders. The stallholders can pick and choose where they want to go, and we now have to give a guarantee to the stallholders that we will give them a good market. I think all the new markets that are starting are going to do a lot of damage to the movement because it is going to weaken what we are starting up. That does not mean to say we can legislate against people opening farmers' markets. That is the last thing in the world we want, but it is getting to the stage now where stallholders will only go to a market where there is a proven management structure in place. They will not just go along because they think it might be a nice idea. The idea that stallholders go from one market to the next until they find a good one is gone. The stallholders have gone from it just being a mickey mouse business into really big business.

The money that has been turned over in the markets is quite substantial, and over the last five years the stallholders have become a lot more professional. They realise that if they want a market to work they have to stick with it and they have to work it as much as the organisers do. Until that balance has been created I do not think there is a great deal that can be done. The markets that are going to end up going in the long term — being sustainable — will have a management structure.

With respect to Rotary, I have a couple of really good Rotary markets. I know three that are really higgledy-piggledy, and another couple that are run by committees. We all know what happens when any structure is run by committee; you never get a decision. You will see from my submission that at Regional Farmers Markets we run a benevolent dictatorship. We think this is what we are going to do. We have strict criteria — not as strict as the VFMA. We are a little more open to other products that we feel will actually enhance a market, like a little non-cutting knife so kids cannot cut off their fingers but they can cut vegetables, and pure water. We want to get people to understand environmentally that pure water is good for their health. We open up our criteria a bit, but we still stick with fairly strict criteria. A lot of market managers do not understand; they think that numbers are numbers, but they are not. It will always come down to the market mix, and that takes a great deal of experience.

The markets that are falling over are the ones that do not have a full management structure, because to run a farmers market is like watching Greg Norman play golf: it looks really easy on Saturday morning, but it takes from Sunday through to the next Friday to actually keep those markets going. It is almost a full-time job. I notice from some of the submissions that some managers are not even paid. That is just ridiculous. I think it has taken community to another level. These people have been very noble, but every market manager, whether they are in a community, whether they are in a Rotary club or whether they are part of RFM, need to be paid and they need to be paid well. Then you can start to get some quality back into these markets.

Mr HODGETT — Peter, you talked about a few issues, including management structure and things like that. But if I am a stallholder and I am looking for a market to go to, what do you put in place to guarantee me a good market or a good experience?

Mr ARNOLD — After 10 years of experience we promote the markets properly. We know where to promote them; we know what flyers have to be put out; we know who within the local community we have to get involved. At most of our markets we have a service club, a school or some other community group that comes in, and we give them a free stall; obviously we do not charge them. They have total knowledge of the community. From our experience, and from working at other markets, we can pretty well guarantee — 80 per cent — that we will give you a crowd.

But also, as I mentioned before, it is where you actually place a market. It is what Nigel said and he is absolutely right. If we can get markets closer to a shopping centre rather than out in a paddock in the middle of the boondocks where people have to get into their cars all the time, it makes it a lot easier. It is not only the siting; it is the demographics of the area — for example, you cannot just go into a new housing estate and expect people to go to a farmers market; they will not. Demographically they will not because they are usually on a budget; they are usually watching their pennies. We all know that farmers' markets are not based on price; they are based on quality and energy and where the food comes from.

We have three markets in the city of Knox, and they all fell over. It was the same market; we moved it to three different areas. It just died after four years, so we moved it across the road to this side of the Eastern Freeway — it was literally 1 kilometre — to Wheelers Hill, and it has gone absolutely crazy. It is probably the strongest market we have. You cannot pick it. Now when we open a market we do far more research than we did in the past, but a lot of it is catch-as-catch-can as to where you site a market.

Mr EAGLE — Can I jump in? By the way, thank you for having me down here; I am from Sydney.

The CHAIR — Thank you for coming.

Mr EAGLE — We have been in the game for 10 years, and running farmers' markets for 8 years. We still have three existing farmers' markets, and we have had three failures. Surprisingly enough, one of the failures was at a shopping centre, and I want to talk about that. We believe the reason why it failed was for the reason you mentioned as well. The young people in the new estate were not mature enough — double incomes, pushing prams, and all types of those things — to come to the market. However, we have re-engaged with the town centre, if you like. The market is called the Rouse Hill town centre market, and we are going to be running some seasonal festivals to try to build it up and then reintroduce a more frequent market in the future.

I agree with most of the things you have said. I would like to know about some of your criteria for having a farmer there, or not. We have our own criteria. Hawkesbury Harvest has introduced a genuine grower policy, which is pretty rigorous. You do not have to be a genuine grower all the time. We allow 25 per cent of the

produce on your stall to come from some other farm — not from the central market system, but from some other farm — because there are farmers who do not want to go to farmers' markets; they just do not want to do that. It is very important that you recognise that some people can actually do that.

The other important thing I would like to raise is that farmers' markets are about the farmers first and not about the market. This is a really key point for Hawkesbury Harvest. It is about the farmer. We have been around for 10 years, and a little bit later I will hand out the farm gate trail maps that we have been involved in producing. We stick strictly with the farmer, and the market is just a vehicle to deliver the produce to the customer as well as the farm gate outlet. People can come to the farm and do that. As well, on special days and open days we are invited into the city of Sydney to bring fresh local produce to their large events called the Primo Italiano and the Danks Street festivals and those types of things. We have criteria called the seven Ps for starting up a farmers market, and you have mentioned half of them. You have got to have people, a place — not a space, but a sense of place — power for stallholders and vehicles, parking for customers and stallholders, protection from the weather, lots of promotion, and toilets.

Mr HODGETT — What is the P there?

Mr EAGLE — It is a slight play on words! We hand these out to other prospective event managers. At any rate I will just say that at the moment, but I think we have got a lot to offer.

The CHAIR — Nigel, you had your hand up. I am interested to hear your comments on physical location, which Peter alluded to.

Mr FLANNIGAN — Let me leave that one aside for the moment. I want to mention some other issues that are in there. They have been raised, and I might add that they are raised in all the papers, but you have just got to try and structure it. It indicates that this market thing is multidimensional. Whilst you say I am on the farmers side, there is a body of information about the health issue and goes to the health department. If you have got a market that is run by them, it is going to have a different focus. If you could just bring all these things together it would be so rich. I do not think there would be a problem at all with us having, for example, the breast-screening truck coming into the farmers market. It could be announced in the local district. They can say, 'Please come down to the farmers market. You can have a check-up, or you can have your kids checked up'. It could be Life! Be in it! We have got to teach the kids, so there is an educational component there. We have got to teach the kids that there is value in healthy food.

When you get all those things together, they are so rich; they are absolutely marvellous. I probably back Alan when he says farmers first. That is why in my submission I have talked about the supply chain, because that is one of my major concerns now. Those rags-to-riches success stories of migrants who became major producers or major retailers are becoming increasingly difficult, because they are coming up from day one against a major national — or increasingly international — corporation which basically will block their path. The farmers' markets are incubators for people who want to test their products, and who basically say, 'I think I will try organic chickens, but I am not sure. Safeway and Coles are not going to put their hands up and say, "Yes, come and try it through us"; they are just not going to do that. You are going to have to find somewhere else', and a farmers market is one of those areas where it can be done.

With that I will leave it, because your own ideas will basically be able to add to that. I would just emphasise the importance of that and the multidimensional focus that we really do need to get. They can successfully go over the top of each other and work with each other.

The location issue, which you raised before that, is an important issue to me. These things are about quite passively providing an alternative method to providing goods to shopping centres. I am making a distinction here between the shopping centre that you were talking about, which is the corporate shopping centre where there is only one corporation. Of course they are going to try and get the money coming through their cash registers and not the farmers' markets' cash register, because they would get very little money; they do not ask you for turnover or bills. Normally they talk about turnover, so every time a dollar goes through a cash register, they get a little bit of that. They are not going to be committed to a farmers market.

But on the high street-kind of activity centres, where it is not the ownership, these things can be a so-called anchor, because on a particular day there are people and there is the destination. People start out in the morning and say, 'We are going to the farmers market'. If it happens to be in a paddock somewhere out the back of

beyond, they are going to then have to make another decision, like 'Where am I going to go for the other things I cannot get at the farmers market?', whereas if it is closer in I would put them right up the high street. I would close off the high street. Obviously I would pick a road that was not going to cause problems. I would put them right in there, and every Saturday morning you would know there is going to be an event.

Of course for the oranges, bananas and the sorts of things that are not going to be sold at the farmers market you have got to go down the street. The grocers will get a bit upset, and rightly so — they should not have their income cherry picked on a Saturday morning — but you can overcome that by negotiating with them. You say, 'We are going to give you a stall in the market, and you are going to be the only person; you are a bona fide trader in this area. You are the only person who can sell bananas in the farmers market, because that is what you are into'. That would not offend me at all. They could go through the local stuff. I understand that there will be a difference of opinion, so I will leave it there.

The CHAIR — I will make a couple of observations about issues that have come up in our study so far. Firstly, there is the issue of people being allowed to sell someone else's produce. A lot of people do not go to the market because of sickness or because they cannot be bothered, but they have a surplus supply of food so a neighbour can sell it so long as it is from the farm.

Secondly, there is the issue of a stallholder hanging up the name of their farm, rather than an accreditation with the farmers market association or this that. I saw that in the States. I continued my research on my own — the committee had left by then — and I saw that in several farmers' markets. They actually had the name of the farmer. Being a curious Aussie, I took down the names of the farms and then went to the farms to find out whether it was true, to verify it, because they were telling me that it was also an advantage for people to know the produce they buy really is from a farm within their own region or municipality and that it is not coming from interstate somewhere — that is, it is locally grown and it is in that area. I found that very interesting.

Another issue is, as you said, selling somebody else's produce — the neighbour's or whatever. Some of them had a roster. The same person did not go to the market every weekend. They had a roster almost like a collective: 'It's your turn to go and sell my products'.

Mr EAGLE — If you take that to a larger extension and look at the food value chain and think about Woolworths and what they try to get out of that food value chain, and you replace Woolworths with a farmer, why should they not be entitled to get to that level of being able to do that — growing all the produce on 25 farms and bringing it to farmers' markets, just one farmer? What happens sometimes is we restrict our thinking with those particular farmers and we say, 'You can only have the produce that is grown here'. If you had 25 farms and covered them all, you would probably say that was okay, because he has got 25 farms. That is really the key. You need to have rules, or it needs to be flexible so the farmers can grow.

This came out of the *Sydney Morning Herald* yesterday. It is about a group called Food Connect in Sydney — you know this yourself; one runs a farmers market. The farmer gets eight times as many dollars as he does if he goes to the central marketing system. It is important that you recognise that, and then you allow the farmer to grow and you do not constrict them by rules and regulations too much. But it still has to be genuine, and you have to set up a conversation in the way you present that farmer, which is a good idea. The farmer to the customer is the most important.

On that idea of the farmer, I saw a co-op that had a picture of the farmer and his name under each type of produce, which is fabulous, because his face was there as well.

Mr HODGETT — Can a copy of that be made available?

Mr EAGLE — Yes, you can have this.

Mr ARNOLD — I have a couple of things to say. I agree with you, but it is not farmers first — which comes first, the chicken or the egg? — because you can have the farmers but not the people coming through the gate, or the other producers, and you do not introduce people to where their food comes from. What we try to do is to educate. We like to have all our markets on grass, because we get people to connect to the energy of nature for a start. Car parks are all very well, but they are soulless, and the whole idea with a farmers market is it has got to have that feeling of nature around it. It has got to feel as close to a farm as possible. This is why we like to

go on grass. We like to have a car park in case it has rained like hell the week before so we have got a wet weather contingency.

I do not think there is any point in putting a farmers market in a soulless place like a car park, because it takes away from what we are trying to do. We are trying to get the public to understand that their food comes from the soil, and it is first of all from the soil to the farmer, and from the farmer to the people. I do not think you can put farmers first. I think you have got food as well as people as well as farmers, and then education.

With due respect, George, I do not think we can use the US or the UK as a model for the farmers' markets or where and how we get our produce in Australia, because we have got such vast areas, and we do not have a lot of people who are growing vegetables. I would think there were three, if not four, vegetable growers in the whole of Victoria who will grow a full range of vegetables; that is all. We allow the rest of them in because our criterion is that they can get it from the farmer next door as long as it is identified as the farmer next door, but it cannot come from sources unknown. It cannot come from Footscray or from the Vic market. It has to be a source, so if someone says, 'Where does that come from?', they can be told where it comes from. Otherwise we would have 35 vegetable growers all coming along with one little card table, either selling their pumpkins, their potatoes or their strawberries. There is a balance between offering the public enough stimulation to come back to the market next month, as opposed to having absolutely pure stuff that what you grow is what you can sell. It just will not work, because there is not that number of growers.

You have got to find niche-size growers that are too big to supply the local 10 neighbours and not big enough to supply the Footscray markets. You have got to find that niche producer who is going to come in, and there are not that many of them. It is not that you bend the rules. A lot of organic farmers do not have time to go to a market. They are too busy pulling bloody weeds. They do not have time to go to a market. If they can find a person to take it as a collective, that works for the farm, it works for the managers and it works for the public. That is what we are looking for.

Mr ADA — I will follow up on what Peter said. The one and only recommendation we made in our submission was to do with that issue, because there are insufficient farmers of the right size. They are not big enough to sell by more labour-efficient means — it is very labour intensive to sell at farmers' markets — or they are too small to not have sufficient produce to get a return on their labour. We have recommended that individuals be allowed to sell other people's produce as long as they have these letters of authenticity that are dated — 'I give permission for this person to sell my named produce at this market on these dates.'

It is quite interesting in fact that one of the reasons Mont De Lancey in our area changed its name from a farmers market to a country market is that it could not get sufficient farmers to have a sufficient range of produce stalls to meet their self-imposed definition, which was roughly in line with the farmers' markets association. It is quite interesting that one of the people who actually sells on behalf of other farmers at the Mont De Lancey market is one of three farmers written up in an article in *Epicure* last week on market power. While he sells his own, he actually sells the produce of about six other people at Mont De Lancey, because he has not got enough of his own.

Mr ARNOLD — True.

Mr ADA — But he was written up as one of the producers in the article that was in *Epicure* last week.

Mr MORRIS — Quite importantly in our region, and certainly in these outer Melbourne green wedge zones and around the outskirts of Melbourne, the viability for that one sole producer to come in is not as great as coming in to the city markets, so we lose a lot of our stallholders to the city markets where the concentration is bigger — where they can move a whole ute load rather than just a few cases. Because of that, starting off in this tourist sense of trying to just be there just for the farmer and keep it pure and keep to the guidelines, we find more and more the only way for our markets to remain viable is to move into this quasi-produce market-community market, and that is the way they seem to have moved, certainly in the outer areas. There has to be some consideration of the location and the demographic. The range of factors is quite complex.

Mr ADA — To bring it back to the point of your terms of reference, that this is about outer suburban and peri-urban markets, I think one of the problems, following on from what Vin said, is that the people who sell at markets that are run in the inner city — and living in Kensington I am very close to both the Flemington market and the Melbourne Showgrounds market, which is called a farmers market — do not have to meet the definition

of 'local produce', because there is no local produce grown within 10 kilometres of the Melbourne Showgrounds, I can assure you. People can come from all over the state, effectively, to sell there.

It gets back to supply and demand. You have a large community of customers who can go with confidence and buy most of their stuff for the week, and the suppliers will come because they know there will be a large range of customers. I think these increasing city and suburban markets are taking away the potential for farmers' markets on the urban fringe, where they are meeting this definition — they are obliged to by the definitions and rules of their market organisers — to be local producers.

Mr ARNOLD — So therefore change the rules.

Mr ADA — Again it gets back to supply and demand. It is not a level playing field, if you like.

Mr ARNOLD — But you can make it a level playing field. The farmers market to a certain extent covers a multitude of sins. If it does not work one way, then work it another way. I know the inner city markets are on Saturdays, so go for a Sunday, or make them special events on the fifth Saturday. No-one has a market on the fifth Saturday of the month. There are four of them throughout the year. There are a number of ways of skinning this cat, rather than just saying, 'You can't get the stallholders coming to the markets'. There are other ways of getting around it and staying within certain boundaries. Certainly, like Nigel, I do not like bananas and pineapples coming into them. I think that is a yard too far.

Mr FLANNIGAN — I understand your problem, but I am trying to get this not just as the farmers market. It is just one model of getting food to people. I am an equal supporter of the public market — the Prahran Market, the South Melbourne Market, the Dandenong market and so forth. If you do a survey of areas around there, they love it. They are all retailers — and the Gleadell Street Market is also a retail market, I might add. They are retailers. But the customers just love them. They basically come out and say, 'Don't you destroy my market; definitely don't do that'.

I also work as a consultant at times, as you will see in my submission. We made a representation to Frankston, of all places, and suggested they should have a produce market, not a farmers market; that was one of the alternatives we were looking at. We said, 'You should build yourself a market, because you're right on the apex of the Mornington Peninsula where there are producers who can provide to that market, and it can be done through retailers'. They basically said that, no, that was a step too far. The conventional culture now is that the public sector will not get involved in those sorts of things; they will leave that to the market, whatever this thing 'the market' is, and it is not providing it. In some regards I would be telling local government — I would be making it an instruction from the centre, as part of state government policy — 'Your responsibility is to show us a plan of how you are going to get food to your people'.

Mr ARNOLD — Yes.

Mr FLANNIGAN — Farmers' markets will be part of that. But so also will be community gardens. The main point I came in on this one for is: how do you grow the producers? Everyone has said, 'There are not enough producers'. You see, community gardens have a surplus. For one of the consultancy jobs we did it was the town planner — would you believe? — who was actually running the meeting. It was down in Portland. He said, 'I've got a very big lot, and I want to put some fruit trees in there'. He was going to have 20 fruit trees, so he was not going to be a producer; it was just something he was going to do. There was a lady at that local market — it was not a farmers market, they did not pretend it to be; it was at the church — who had mulberry trees, and they only last two weeks. But it made money for her. She was a pensioner, and she basically found that that was quite lucrative, and this was where she sold them, this little market. Then she went away for 50 weeks of the year and did not do anything more. So it was not her main income.

Again I think we can actually grow this. We can actually stand up and say, 'We don't have enough producers'. First of all, let us invite people who want to produce to make submissions, let us encourage those who have got an entrepreneurial bent and basically say, 'We want farm-fresh eggs, we want organic eggs, and we want free-range eggs' and so forth 'and we would welcome people coming to sell them'. You will get them. And if you want to go one step further, you can start to look at perhaps some of the kids who have problems. In my submission I mentioned New York, which is a major city. There they actually purchased land and then put migrants on it, because the migrants do not have any work, except the sweat labour, so-called; they know how

to work. They were basically given an opportunity to be the bottom rung of this rags-to-riches in the new nation, as it were.

I cannot say often enough that without engineering it — and I agree entirely with you that it is horses for courses — wherever you are, you sit down and say, ‘Okay, you don’t have enough work. How do we go about that?’. You basically start the rung on that ladder to allow people to come and test the market. Then you can say to them, ‘Look, we’re only going to allow you to be here two years, and then you’ll have to go and get a shop up on the high street. But you can come and test it, by all means’.

The CHAIR — Sam, Anthony and Philip, you three have not contributed yet, so please come in at any time. Before you say something, I just want to say that the committee went to Salamanca Market in Tasmania and saw there was the virtual farmer section on one side. They had the pure water, and they even had blood pressure tests and other things on that side just to attract people, as was pointed out earlier. They had that in that particular section; it was not everywhere around. The other thing the committee has found, because we have been working on peri-urban quite a lot, is the isolation of the consumer and the farmer. The supermarket has got in between; there is no connection anymore between the consumer and farmer. I would like to hear about some of those issues. That came across in different places. I always quote my grandchildren: ‘The chicken comes from the freezer at the supermarket’.

Mr ARNOLD — We have a lady who brings along a pet pig to many of our markets. A lot of kids think that it is just a small dog. I agree with you, George, that there is a huge gap between people who are in the newly peri-urban areas and farmers. There is no education, and that is where farmers’ markets also come in. A huge part of what we can do in farmers’ markets is explain, ‘The milk doesn’t come in a carton; it comes from a cow’, and ‘This is grass’. We have the same trouble with councils when we want to go on grass. People will say, ‘You can’t go on grass, you might ruin the grass’, whereas we can go onto a car park. At two of our markets we do not have as strict health regulations, because we are in a car park on asphalt, as we do when we are on grass, because the council thinks that grass is dirty and asphalt is clean, believe it or not. There is an ignorance. It goes right the way through metropolitan cities, wherever you go.

The farmers market is not a sacred cow. I absolutely agree with what Nigel said, that it is one model of getting food to the people. I think that is fantastic. That is really what we are trying to do. If we have to move the edges to be able to stimulate people to come to them in the outer areas of Melbourne, then that is what we need to do. You can get them in, but it needs some thinking to get people to say, ‘How am I going to get people to the markets?’. People want to come to farmers’ markets. You could say to anybody, ‘What do you think of farmers’ markets?’, and no-one is going to say, ‘Yuk, they’re awful’. They love them; they have very emotive words. But I believe what is happening is they are being constricted to the point where they are going to become so purist that people are not going to be stimulated enough. It is all very well to have a market of 20 stalls that are absolutely pure, but what about a market that has 50 stalls, or even Gleadell Street or Prahran or somewhere like that, or the Victoria market, where there are 150 stalls, which have different criteria to farmers’ markets? Do people stop going there? Absolutely not. We have to make what is important for the people going to the markets as important as, if not more important than, the markets themselves. What I think we are trying to do is make the markets too clever, and we are forgetting what the people want to come to the market for.

Mr HODGETT — Has any research been done on the primary reason that people go to markets?

Ms EDMONDS — I am Sam Edmonds from the Victorian Farmers’ Markets Association. Recently, in April I think it was, we ran a series of surveys across 10 farmers’ markets, urban interface and regional. We do not have the findings, the final results, back yet; the report is due within the next month or so. But there were questions in there like, ‘How important is it to you that you are buying from the grower?’. So, yes, we have done the research; we are just waiting on some results. As soon as we have that we will be able to provide that to the committee.

Mr EAGLE — It is all about fresh food. It is all about getting closer to fresh foods.

Mr ADA — That is the anecdotal evidence from our farmers’ markets. In our submission we listed 5 reasons why people go to farmers’ markets — and there are probably 10 or 15. The feeling was that except for those people interested in buying on organic or permaculture principles — they are most interested in where the food comes from and how it is grown — for the bulk of people who go to farmers’ markets it is about freshness first

and it is probably about packaging and use of energy resources second, and how it is grown and having a relationship with the farmer are down the list.

Mr ARNOLD — Most of it is relationships. It is the relationship between the people who grow it with the people who buy it. They always go back to Mrs Kafoops or they always go back to Bill or Tom or Fred and say, ‘Fred, what do you suggest this week?’. You see them physically, as you would in the Queen Vic market or farmers’ markets. They actually talk to the person and say, ‘What do you suggest I get this week?’. ‘I suggest you don’t get the lamb, it’s not good this week, but the beef is lovely.’ It is the relationships that are created which is the enormous difference between us and the supermarkets. There is a relationship between the seller — it may not be the grower, but it is the person who absolutely knows their product behind the counter — and the person buying. ‘How is that cheese made?’ They can be told how that cheese is made. That is what I think makes the difference.

Mr EAGLE — Also, David, it is about the place. After the market kicks off and starts to establish itself, people love to go a place. If you go to a vegie shop, you will see people not talking to each other, not talking to the person next to them in the queue. They buy, they go to the checkout, they get rung up and they move. You will hear them at the farmers market chatting with each other. They buy hamburgers or whatever the food is and they sit down and talk for hours and hours at farmers’ markets.

Mr HODGETT — I would argue then that it is the experience they have.

Mr ARNOLD — For sure.

Mr HODGETT — Is there evidence that the organic or the clean, fresh produce sells more, or is it that people go along and they do not care what meat they buy, but it is the experience they have, and you are recommending the veal this week, so they get the veal?

Mr ARNOLD — I think it is six of one and half a dozen of the other. You could go to 100 people and you would probably get 60 different answers. We always talk about the community of farmers’ markets, but the farmers market creates the community; we do not take the farmers market to a community. You can go to any farmers market, especially the ones out in the country — Phillip Island, Inverloch, South Gippsland — and you will see people who have not seen each other from one month to the next. They will just sit around, they will have a coffee and they may not buy anything until right at the last minute, but they all meet up.

They are like the English. The English come into town on a Friday and into the market square and that is market day. That is the only time the farmers ever meet; it is a very solitary life, and it is the only time they get to have a yarn. Also, for the people who have busy lives, it is the one time they get together. Absolutely, David, it is as much about the experience, and that is why I think the siting of the market is so important. To have it on asphalt, which we do at Mornington, means it is a soulless market. Yes, people come, but as soon as they are done they are gone. They are not going to hang around. If you go to Essendon or Bundoora Park, we have to put 30, 40 or 50 chairs out because people are there, they have done their shopping and it is a whole morning experience. I agree.

Mr HODGETT — That brings us back to the question of authenticity, though. Again some people will go along — and I have seen them — and they are genuinely interested in where that product comes from, and that will govern their purchasing decision. But other people I have witnessed will go along and they do not necessarily care where that apple has come from, but they will get to sample a couple and they will buy a bag of apples.

The question is: in your view how hard and fast should rules be around farmers’ markets in terms of authenticity, or should that just be left to the local farmers’ markets to decide?

Mr ARNOLD — I agree with you. There does need to be a level of authenticity, so that either the market organiser and/or the stallholder is accountable for what is sold on the stall. Our managers are always walking around, and if we see products that are not on the list that people have given us, then we say, ‘Where has this come from?’, and we need to know where it has come from. I know all my stallholders now, and I will question them vigorously. I have been to a farm at Bacchus Marsh because I did not trust the farmer, but he was right. I have been to a bakery, and I have been to visit someone making biscuits, because I just did not feel it was right. I think it is right that we have some level of authenticity. Absolutely.

Mr HODGETT — Do you need support for that?

Mr ARNOLD — No, I do not believe so.

Mr MORRIS — I definitely think we need support for that, and that could be a role for some organisation to play, because as has been mentioned, some of the farmers market coordinators are not even paid. It takes two weeks of extra work within that month to actually go and do audits on the producers. It is about the integrity and the trust that what the markets are delivering is what they should be delivering. One of the values that people place on these markets is trust.

Mr ARNOLD — I have the best police force in the business — the other stallholders. The other stallholders will always tell me when there is something that they think is not quite right. They are around in a flash.

Mr JACKSON — I think it just highlights the complexity of these sorts of things. One of the stated objectives and the reasons that the Cardinia shire established a farmers market was the concept of a business incubator, so that it would provide an additional outlet for local farmers and producers and provide the opportunity to trial new products or the opportunity perhaps to specialise in less commercial products or less commercial crops. Nigel's example with the mulberries, which is a two-week season, reinforces that concept.

With that sort of philosophy it is difficult then to have the regimentation that you can only sell what you are accredited to sell, because you might only have been there for a very short period of time. I think that the market organisers have to have a philosophical commitment but have some flexibility within that to cope with the once-a-year market stallholder as opposed to the people who are going to be there every week.

The CHAIR — Who are the market organisers responsible to?

Mr HODGETT — Sam, I was going to ask: where does that fit in with the VFMA accreditation system?

Ms EDMONDS — The VFMA accreditation system was developed in consultation with the industry. Our research shows that the stallholders really want the accreditation system. When a genuine grower is at a market, they have trouble competing with someone who is reselling; the reseller can often do it at a cheaper price. The genuine growers feel that the farmers' markets should be primarily for them, and that is a big part of the reason why the accreditation program was developed the way it was.

In reference to a couple of the other points that were discussed before, one of the categories in the accreditation program is a shared farm stall where a group of farmers can get together and share the workload of attending the market. Although it is not reselling, it has to be a genuine shared arrangement, not a reselling arrangement. But that is just in reference to something that Ian said before.

Also the accreditation program is about protecting the brand of farmers' markets and what the customers would expect to see at a genuine farmers market. That really is the distinction between a farmers market and another type of market — that the customers know what they are getting with that brand, if you like.

The CHAIR — Can I follow that up? What you are actually saying is you are protecting the brand name of 'farmers market'.

Ms EDMONDS — Yes.

The CHAIR — To be able to use the name and promote yourself as a farmers market there need to be some controls and restrictions, and a stallholder has to pay a registration fee for the stall or place he has there. Can you run through some of those things for us, please, if you know, or just generally?

Ms EDMONDS — At the moment we have registered the accreditation logo as a brand, so that is what I am referring to when I say 'the brand'. To date there has been no financial cost to stallholders to participate in the accreditation program, because Regional Development Victoria has funded the program so far and for the next short while as well. From January 2011 anyone who wants to be accredited will have to be a financial member of the Victorian Farmers' Markets Association, and that incurs a cost. For the structure of that cost, at the moment we are looking at a small increase in the site fees at whichever member market they are attending, so it will be \$3, \$4 or \$5, depending on the location of the market. Metropolitan ones are \$5, regional ones are \$3 and interface are \$4. Ultimately that is the result of the cost to stallholders of using the brand.

The CHAIR — So the organisers of the actual markets have to collect the fee for you?

Ms EDMONDS — Yes. That is right.

Mr SHERRY — This is probably a good time to give a quick overview of the state government's farmers' markets program that was in the submissions by the Department of Innovation, Industry and Regional Development. The program has another 12 months to run, and the aim and the intention is for farmers' markets and the VFMA to become economically sustainable in the long term. There is a range of reasons that the program was established, and many of those reasons have been discussed today in terms of the benefits of farmers' markets. One of the interesting points that has been highlighted today is that there are many types of markets, and they all have a place, or they do not have a place if they are not successful and they are not able to be maintained. There is a different mix in terms of markets — whether it is produce, craft markets, farmers' markets or different versions — and it is a market-driven activity in terms of whether they will survive and whether they are in the right location.

The engagement to date with the Victorian Farmers Markets Association is around the thrust that is in the charter of the VFMA in terms of the establishment of those, but the program does not exclude other types of markets in accessing the program. I guess it will in time, with the accreditation program that Sam has just outlined. The thrust of the farmers' markets programs out of state government is regional Victoria but with the opportunity for interface council areas to access the program, thus the submission from us to this inquiry through Regional Development Victoria. I have one other point, but I will come to that in a second. I believe the program was \$2 million over four years, I believe.

Ms EDMONDS — Yes, that is right.

Mr SHERRY — And with three main areas of focus: the market plan, start-up markets and expanding markets. Expanding markets is where that mix is available for the markets to have other activities but with a requirement to be identified with the farmers market, which is around providing local produce — and there are descriptions of local produce — to consumers. There is another avenue of selling product for those producers or for people who value-add to products, such as with jams, conserves, bakery items et cetera, so it is not purely fresh food from the soil; and also around the opportunity to develop those businesses and enterprises as part of that progression along the value chain. It might be those smaller producers testing out products, which has been mentioned, or even just entering that market into the retail space and looking at other avenues of being able to develop their business. It is very broad. The health aspects are definitely part of it, and it is a growing aspect. That is a quick overview of that program.

Mr EAGLE — I would like to start a discussion on planners, because I believe that planners in councils and state governments and all those people should engage farmers' markets as an authentic thing that they should have locations for. Whether they are on grass, in huts or whatever they are, they should be doing that. My experience is they do not do enough; they are a bit bureaucratic and they do not plan ahead. They stick inside the rules instead of trying to expand the rules and look at the ways they want to do that, and we found that a real impediment when you actually want to go.

In New South Wales they have got the Farm Gate Trail and the LEP will not allow you to sell produce that belongs to a farm next door. Even if you have farm across the road theoretically you are supposed to have two farm gate outlets and two types of thingummybobs. They have a lot of those rules and plans. I do not know what other people's experiences are.

Mr FLANNIGAN — There are a couple of points I want to make. I agree with you, Peter, that you have to have this flexibility. My understanding is that Peter has fairly tight control, but it just happens to be locally based to suit his current situation. I ask Sam on this: how do you deal with those sorts of grey areas of definition? Because we keep bumping up against them. For example, does everything that is sold at the market have to go through the mouth, in that it is food? What happens to someone who grows timber and uses that for woodcarvings, for example — a local artisan? Where does that come in? Clearly if he is moving stuff in from Indonesia, it does not fit. If you were running around the place and you found that out, you would say, 'Hold on a minute, mate!'. Let us say he even had to go to the local sawmill to get this timber and then carved it. Would you allow him? It puts you into a little bit of ridicule if you are really saying, 'I'm sorry. The words say this, fella'. You are right.

One of the examples we had when we were doing some of our studies of this was in Casterton, which incidentally, Peter, does have a market on the fifth Saturday of the month.

Mr ARNOLD — Good.

Mr FLANNIGAN — For the reason it only has enough produce for four. Actually the local high school — it might have even been the primary school, but I think it was the high school — where they teach the kids how to do gardening and so forth, were regular stallholders. So the kids were learning business practice — ‘We grow this’ — and they actually auctioned a calf which the kids had reared. I said, ‘Were there tears when this happened?’, and they said, ‘No, these are all farmers sons and daughters, so they know actually what the world is about in terms of seeing what is going on’. They are not farmers. I guess they did grow it themselves, but it was a school product, and they are putting the caretaker in to fix up things when the kids dropped out of it.

Mr EAGLE — Hawkesbury Harvest has a gentleman who has lemon myrtle trees and he makes soap out of them. He is allowed to come.

Mr FLANNIGAN — I would allow him to come, too.

Mr ADA — In our area 25 per cent of Victoria’s cut flowers and nursery plants are grown by farmers. They are legitimate products to sell at a farmers market.

Ms EDMONDS — There certainly are grey areas, and it is a really tricky one to weave through. At this stage — and we certainly admit that it is not a perfect system — the focus is on fresh food, or on food. If a farmer basically has food products and they want to bring a product that is not food based, that can compose up to 10 per cent of their stall by visual assessment. It is a little bit of a flexible rule. Just thinking off the top of my head, there was an example of an emu farm. Mostly what they were doing was selling live poultry and eggs. They also had a component of their stall where they had their emu oil and skin products, and that was fine; it did get through the accreditation system. It is one of the areas that we do want to have a look at as part of the review of the accreditation system that is just about to get under way now.

Mr ARNOLD — George, to answer your question as to who is responsible for the quality of the market stalls and so on, I am, as a market manager. And I am responsible to the people who walk in the gate. We publish our criteria, which are on our website. I have people coming up to me at market all the time asking, ‘Why is so-and-so here?’. They will ask me. I have policemen: every single person who comes to the market is a policeman — the stallholders and also patrons. Most of them are intelligent people; they know what a farmers market is meant to be, and if it is not, we will certainly get feedback on it very quickly.

As far as the branding is concerned, I do not think you can brand farmers’ markets. It is like saying, ‘I think I’ll copyright the name “circus”’; you cannot. A farmers market is a farmers market; it covers a multitude of sins. I think it would be very difficult to try to box it and put it into one specific category and say, ‘That is just farmers’. If you take the UK, for example, the Swindon farmers market, which won the best farmers market award about four years ago, actually had socks and tea towels for sale. They did that because the produce — the socks and the tea towels — were made by a farmer’s wife. You could say it is not a farmer’s, but, yes, it is, because it is helping the farmer’s income. The interpretation is different wherever you go. Vive la difference! You have to allow the difference within certain boundaries, but I think the boundaries have to be wider rather than narrower.

Mr FLANNIGAN — If I could just ask again, Sam — sorry to keep putting you on the spot, but I think it is important because the definition is fairly crucial if you have got the power to downgrade the quality of a group because you will not accredit them — what about the prospect, for example, of you joining a farmers market with something else, provided it is checked out? For example, ‘This is obviously a retail sector of the market, but this is a farmers market area’. I think now Victoria market, which is clearly a retail market, does have a section left for a farmers market. Am I right on that?

Ms EDMONDS — They are looking at introducing one.

Mr EAGLE — The Sydney market has that. It has all the meat area and then they have a growers section.

Mr FLANNIGAN — We could add that on. As far as I am concerned the bottom line of this is that we have to get that supply chain through from those who are prepared to sell directly to the public. It might be by having their friends join in with them and doing it cooperatively; I agree with that totally. A region can have a stall. I think if we went to the Prahran Market and Dandenong market and said to them, particularly if they are public markets, 'We do need you to have a dedicated area which is solely for the primary producers who want to come to town', it would be quite legitimate for the state government to give them a nudge in the right direction and make sure that some of the funding that we might provide those markets would be on condition that they identify an area. If they fill the market with that, thumbs up; if they do not, then the retailers are not doing them any harm really.

Mr SHERRY — That is actually the case with the VFMA in the sense of accrediting farmers' markets where there is a delineation between a farmers market and a craft market et cetera. It can be the same location. The accreditation is applicable to the farmers' markets, the produce.

Just to add on to those points that have been discussed, yes, you cannot brand and you cannot take sole ownership of what is the public view of the farmers' markets, but one of the intents of accreditation and the process around the farmers' markets is that authenticity: the public evaluation of what they are buying and where it is sourced from.

What comes with the farmers market program, with the accreditation and training and other education processes for stallholders, is the building of the capacity of those producers to potentially expand their business. That has been raised a couple of times around a business incubator and other things. Local government, the managers of farmers' markets and other markets, the VFMA, ourselves and other institutions could, between them, provide that support for enterprise development that looks at not just bringing produce to the consumer but building and expanding the value of that sector, which is the fresh produce sector. It is very complex in the scheme of things, but everything that has been discussed today is probably at the forefront of people's minds in the delivery of markets, whether they be in the interface council areas, in urban Melbourne or in regional Victoria.

Mr MORRIS — On Nigel's point there about funding — it is part of our submission, and it has been part of the other submissions to the agribusiness inquiry — it is really important to note that as an interface council we are not eligible for a lot of the funding that is focused on buying local, such as the food industry regional produce stands that you talked about in the Prahran Market, for instance. Our interface councils are not considered to be rural, we are considered to be metropolitan, so we are not able to apply for the funding to get our producers to go out and be part of those stands at those markets to promote our local producers. This is an outer suburban interface services committee, and I strongly reiterate that we are disadvantaged; we are a vacuum in a lot of this funding that sits there in the new Regional Development Victoria blueprint that has just come out. It just astounds us to think that we have no support to even promote within Melbourne our farmers and our producers right on Melbourne's doorstep. That is a big differentiation for our local producers.

The CHAIR — What are you looking at now — Victoria or peri-urban Melbourne as far as farmers' markets supply? If food is brought in from Shepparton or Mildura, what are we looking at? In the report we just tabled we actually made a recommendation to government to consider developing a food brand, whether it be for Melbourne or Victoria, to actually ID our own production somehow. We really have a lot of concepts in the state of our own local food production. My market gardeners in Keilor are only cauliflower growers, so they could not supply tomatoes, carrots and all of that. The smaller family groups did in the past, but today it involves basically supplying the supermarkets with cauliflowers. They could not. If you are going to have a stall, and the Rotary Club runs the market down at Keilor Village, you have to bring in food from other areas. What distance are you talking about? We have the LGAs, the regional ones such as the Gippsland one or the Yarra Valley one, where we have the wine. Yarra Valley is well promoted for tourism with its wineries and all the rest. What about some of our other regions being tied up with the farmers' markets?

Ms EDMONDS — I have just recently been to the New Zealand farmers' markets conference, where there were speakers from the UK and the United States. Most of them were trying to put in either geographical or time boundaries to keep their markets local. Looking at New Zealand, each of the farmers there had to be within 3 hours of the market or within a certain geographical boundary. Similarly in the UK and the United States obviously the boundaries were vastly different. I think in the States they had a 9-hour drive or something like that, and you can imagine that the UK is probably 15 minutes. I think Victoria is so different in terms of the

intensity of food production in different areas that it would be very hard for any one rule to apply across the board in that regard.

Mr ARNOLD — Hear, hear!

The CHAIR — I am talking as a member of the Victorian Parliament, vis-a-vis of Queensland or New South Wales or South Australia, right?

Ms EDMONDS — Yes.

Mr FLANNIGAN — George, in some regards I want to disagree with what you implied there; you did not actually say it, but you implied it. I think when you are talking about your guys in Keilor who have now switched across to cauliflowers and are providing the supermarkets, as you suggested, that is in reaction to the retailer at the supermarket end telling them what they are going to buy from them. That is the dilemma we are actually facing, and farmers' markets can break that link whereby those transnational companies have basically dominated the whole supply chain.

For example, if there were a guaranteed group of farmers' markets, another outlet for some of those farmers, would they not be prepared, or could they not be encouraged to switch to say, 'Look, I can grow tomatoes and I know I am going to get a good price for them'. Some of the prices that they get from the supermarkets, frankly, are absolutely disgusting.

I put in my references the price we pay. It is just ridiculous. We all have stories about it. When they are going through it they are getting peanuts. They are getting hardly more than the cost back for their produce. Part of the problem is that they have no alternative, because these guys have dominated the supply chain. Farmers' markets break that.

Mr ARNOLD — No. I opened the market in Bairnsdale. Bairnsdale is one of the biggest vegetable-growing areas in the state. Could we get a vegetable grower to go to the Bairnsdale farmers market? No. Because they are all a monoculture and are all just shipping them straight into Footscray. We could not get someone who grew more than one product. I disagree, Nigel. You cannot suddenly say, 'Grow half a dozen of these and some asparagus and some carrots and some of that'.

They are not going to do it because they are going to say, 'You guarantee me'. The overseas markets have got over it, because they will guarantee that your product will be sold, whatever the price. But at a farmers market if we have a really wet day and there is sleet that day, people do not turn up to the market. Mr Jones might have 3½ tonnes of cauliflower he is trying to sell, and all of a sudden the people do not turn up. We cannot guarantee that.

From Bairnsdale we have to use the whole of Gippsland to make the market worthwhile, with up to 30 stalls. When we start a market, we start off with 5 kilometres to see what we can get within 5 kilometres. Then we go to 10 kilometres and 20 kilometres, and in the end we will go to the whole state if we are missing free-range eggs or another specific product, like lamb or beef or something like that, and we cannot get it locally. Then we will have to go out to have the market mix. Because without the full market mix, Mrs Kafoops is not going to come back to the market.

Mr ADA — It comes back to horses for courses. Depending on your size and your power, if you like, in the market you are going to be where you are going to get your best return. We have one brussels sprouts producer in our shire who grow 65 per cent of Victoria's production. His production sets the market price. We have most of Victoria's raspberries and blackberries grown in the shire. Five producers have grouped together to form YV Fresh, and they are most of the market for Victoria, so they tell the supermarkets what they are going to do.

Mr FLANNIGAN — Lovely.

Mr ADA — People can form alliances as well. There are other ways of selling your produce. I am sure these people on the Maribyrnong flats would find the best way to sell their cauliflowers, and if farmers' markets was it, they would do it.

Mr EAGLE — That is why we have a farm-gate trail. There are apple growers and chestnut and walnut people. They think it is fantastic. They just plant the tree, the apples grow — I know there is a lot of work in

between those two — and people come along, take them off the tree, pack them and take them away. It is just perfect — no middle man or anything. I understand what you are saying; you have to work with them and do those types of things.

Mr NARDELLA — Peter, what is the full market mix? What are you talking about?

Mr ARNOLD — Full market mix is having a range of vegetables, the jams, the chutneys, the eggs, the cheeses, the breads — —

Mr ADA — Orchard fruit.

Mr ARNOLD — Orchard fruit. To get a 'full market mix' is to have about 25 to 30 stalls. But then you have to go back to the number of people coming to the market. This is the other issue I would like to get onto. In a lot of these submissions people are saying they are having between 2000 and 3000 people coming to a market. Unless they have clicked people coming to the market, I would question all those figures.

At Bundoora we have 62 stalls and they are all fully supplied. For example, at the last market there was not one stallholder who did not do really well. We would have had 1700 people through that market, because they are clicked. I would think the Collingwood Children's Farm on an average day would have 2000 people and on a good day would have 3000. On the biggest day we have at Churchill Island Farmers Market, the one after Christmas, we would have 5000 people there. If you get more than 1000 people at any farmers market, you are doing really, really well. We click the numbers through the gates, and to have anything over 1000 is an incredible market.

I think the numbers are quite rubbery in some of these submissions. Not only do you have to have the number of stalls, but you have to have the number of people. If you get the number of people, you have to have more stalls. At each one you have no idea. It takes six to nine months to bed a market down, to find out the regulars who are going to come. At the first market everybody will always come in, 30 per cent of whom are tyre kickers, and they will not come back because the prices or something else will knock them out. Then it will drop right down, and then it will take another four or five months, or six months.

We do not really say we can set a market in stone until it has done 12 months, because the public are very fickle. It depends on the weather; it depends on whether you can keep the stallholders coming back; and it depends on whether you can keep getting the number of people through the gates. They are the three things that make the markets. I think it can work in peri-urban just as well as it can work in the city. It is all about position, position, position, but it does not necessarily have to be in a shopping centre.

I also think it needs proper promotion, and how a lot of it is done is higgledy-piggledy. If there was a way whereby — we could either have a television slot as an industry, or we could get a column in the national press. We have something in 'Epicure' every week, but only about four markets advertise in it, when it is only \$70 a week to advertise in. I would have thought every market needs to be in there every single week. It is like you have to promote, promote, promote.

As I say, we are a commercial business, but we do not make any money on a market until it has done over 12 months. Because we plough everything back into good management and into promoting the market — promoting, promoting, promoting. And it takes a lot of money. Look at the Geelong submission. They said that their city market costs them \$70 000 a year to run. It costs a lot of money. I do this business because I love it. I just love farmers' markets. I am never going to get rich by it, but by God it is an incredible industry.

Mr EAGLE — Can I reiterate, Peter, that to keep the stallholder loyalty, they need to know that promotion happens. If you are doing your best promoting those types of things, it is fabulous. Fortunately I have been very lucky. We have had an ABC radio guy, Simon Marnie, in Sydney (702AM) who just loves food, and we have a 5-minute segment, to 80 000 people, every Saturday morning — at 6.40 a.m., mind you.

Mr ADA — There are 80 000 listeners?

Mr EAGLE — There are 80 000 listeners; they are not out of bed yet. It has worked well. He has been with us for seven or eight years. It has been fabulous.

Mr ARNOLD — Can I just finish off: the one thing we have to look at with stallholders is that we have no contract with stallholders. We cannot contract a stallholder to come exclusively to my markets, even though I could supply them with at least one market a week, if not two markets a week. I cannot do that because they will not sign up. If I could get them signed up I would have a yacht in Monte Carlo tomorrow. But we cannot, because they are totally free agents. They go, at this stage, where the money is. What we as market managers have to do is prove that we can supply a market so they will keep coming back to. They will only come back because of the money.

Mr EAGLE — That is right.

The CHAIR — I was just going to throw in the question: if my market gardens start to sell to the local farmers' markets, what pressure would they be under from their corporate contractors? I have heard of the experience of some people, again overseas, who were banned — their normal contractor they would not buy from them any more.

Mr EAGLE — My question is: if they are a genuine grower —

The CHAIR — Yes, they were genuine growers.

Mr EAGLE — And they want to bring their produce to the market, you should allow them to, because that is what it is about. I know their return will be five or six times greater than what they get at the markets.

The CHAIR — They were suppliers to one of the major supermarket chains in the area, and they just put the pressure on them by saying, 'If you are going to go to the farmers' markets, we will not deal with you'.

Mr ARNOLD — I think that is market forces.

The CHAIR — I just want to know if you have heard of any experiences like that.

Mr ARNOLD — I agree. If they are growers I do not care how big they are. If they want to come along to a farmers market with really good produce, and I need that product or I do not have enough of that product, I will bring them in like a shot. The one I have difficulty with is when I set up a market, say, in Essendon or even down in Inverloch, and the locals will sit there with their arms folded and say, 'I do not think we will come into the market, thanks very much'.

Then after six months they come in and say, 'I think we would like to come to the market, please', because the market is worthwhile and they are local. I still have to say no to them, because I will always work with the people who are supporting the market. Again there is probably some criteria somewhere that says you have to pick local, but it comes down to commercial decisions in the end.

The CHAIR — Fresh herb growers down in Phillip Island supply Safeways and Coles; every morning they bring the fresh herbs in. I am not sure how authentic it is, but they are worried about that if it gets out that they are supplying people at the farmers market, the supermarkets would pressure on them.

Mr ARNOLD — I think that is a flea on an elephant, George. I do not think the herb people would make that much difference.

Mr MORRIS — I think what George is trying to put is the scenario that they are a major supplier to the supermarkets. If they attempt to come to a farmers market or infiltrate the farmers' markets, the supermarket will cut them off from their arrangements.

Mr ARNOLD — I have not had any experience of it.

The CHAIR — I am just asking the question.

Mr ARNOLD — It is a good question for sure.

The CHAIR — Is anything like that occurring? It puts fear into people in relation to some of their products.

Ms EDMONDS — It is quite possible I suppose.

Mr EAGLE — I think that could happen, for sure.

The CHAIR — I was definitely told that when I was overseas. Some people were simply cut off. The tanker would not come in to pick up their milk and things like that.

Mr EAGLE — We are encouraging backyard growers as well.

The CHAIR — The same thing happened with egg producers.

Mr EAGLE — We are encouraging backyard growers. We are always trying to get these small growers who have a bunch of carrots or who may have 30 packets of carrots left to come to the market and put them on the one stall, promote them from community. We get those local people, charge them less rent and do those types of things and it is all about that food chain type of stuff that you were talking about — education.

Mr ARNOLD — Absolutely.

Mr EAGLE — Just to let you know we have another program happening called 'Picasso cows', which is about what we call the Archibull prize, not the Archibald Prize. Year 9, 10 and 11 students at a school get a cow — it is a long process — and they paint the cow with environmental, science, education themes and all those types of things. They do a presentation or do something and then they win \$1000 if they have the best cow. It helps to let people know where the food comes from as well. We are trying to engage in all those other programs, which lead to the whole food industry and the whole health industry as well.

Mr FLANNIGAN — I just want to mention a little bit about the planning aspect of all this. I am a town planner, and I was an educator of that for 34 years I might add. I do agree with you. I think they have dropped the ball on this one. They should be the leaders of this sort of thing.

I am concerned about two things from what I have heard and I am in disagreement with Peter on this. I am concerned by the fact that there may be some areas within metropolitan Melbourne, for example — and that is my main focus, not the only focus — that may not be well served. We are kind of waiting on individual groups, who are doing a good job I might add, but they are being selective as to where they go. Whereas the town planner in me says we should be looking at having a distribution of these within an appropriate reaching distance of just about every citizen across Melbourne, so that is available just as a competitor to the supermarkets in that sense. So I am worried about that. I am also a little bit worried that we are giving in too easily on the basis that we cannot grow the producer; that if we say, 'These things are in place; here are our figures; here are the demographics of the people who are buying at them' that we cannot actually introduce new producers who say, 'I am going to now grow for not just one farmers market but a number of farmers' markets' and that sort of thing. So that worries me in the sense that what DIIRD does, for example, is basically try to stimulate those sorts of things.

I would have thought that it could have prepared a program which said, 'Here is an outlet which is an alternative to the supermarkets', because a lot of producers do not like dealing with the supermarkets. I am not anti them; I use supermarkets. Nevertheless, they should not have the power that they have in our particular food economy just now.

Mr JACKSON — I would just like to come back to put a slightly different twist on one of the pathways that George was wanting to go down in terms of anticompetitive behaviour of farmers' markets and in terms of producers being locked out of commercial markets if they are supplying a farmers market. The other anticompetitive aspect that we have to consider is quite often farmers' markets have restrictions on the number of producers or the number of stallholders selling a similar item.

So if I am there selling carrots, then whoever will say, 'No other person can sell carrots' and this has become an issue, particularly at our local farmers market where a question has been raised with the ACCC about who has the right to prevent any particular producer wanting to sell their particular goods on a given day.

Mr ARNOLD — Sorry, I have to come in here. I am sorry, George. It is a commercial decision to a certain extent insofar as if you have one carrot grower making good money, and if you have three others wanting to come in because they are also local, guess what? All four of them will not make money, so none of them will come back.

Mr JACKSON — Except that that in itself is anticompetitive, and I do understand the argument that of the four producers market forces will determine which one sells the most carrots.

Mr ARNOLD — But none of them will, so none of them will come back.

Mr ADA — Yarra Valley Regional Farmers Market has a policy of having the right market mix, and that is because they are constrained by the size of the barn at Yering Station where they hold it. So they have, for example, people who make cakes and biscuits on their waiting list and they can only have members. These are members, because they only allow members of the food group to sell at their market, but they do not want the whole market with a limited space to perhaps be taken up by just a few different types of stalls. They want to have a wide range of products to attract people. So they are doing it for a slightly different reason, but they do enforce choice.

I think Sam is next, but I want to come back and make another comment.

The CHAIR — Go for it. I said we were being informal.

Mr ADA — I think you had a bit of an order, so Sam should go first.

Ms EDMONDS — I just wanted to answer your question, Nigel. We will be actively starting a project in the next couple of months, which is seeking out more new producers and helping to develop them. So we have quite a big project, funded through DIIRD, which is all about holding workshops, linking in with local networks and trying to entice a few more producers into the network here.

Mr FLANNIGAN — Fantastic.

Mr ADA — The comment I wanted to make, George, is that I think we need to perhaps broaden this discussion a bit, coming back to what is the real and overall community benefit — and I include farmers as part of the community — of having farmers' markets. I think it will be very interesting to get this data from Sam's research. As I mentioned before, what market managers tell me is purely anecdotal. Perhaps they cannot count, according to Peter, from the submissions; their anecdotal information could be wrong. Hard and fast objective data is very important. We ought to be taking that into account in helping set the parameters of what these markets ought to be about. Is it about providing fresh, healthy food to the Victorian community? Is it about giving people better experience and educating them about the value of farming on the urban fringe so that they know where their food comes from? Or is it about something else? I think we ought to use this information to perhaps help guide setting some of the parameters about what the markets ought to be and what the criteria for them ought to be.

Mr ARNOLD — Just on what Nigel said, to go on with local councils — I think local councils do need to be brought up to speed. I think there needs to be a separate section for planning for farmers' markets. At the moment I have to pay my \$742 — the same as for someone who is doing a 10-storey development — to actually put in my initial application, which is crazy. Then we are asked do to a scale drawing down to the last inch. It is just impossible. And then they want a traffic management plan.

We are trying to set one up in Tyabb at the moment, but the traffic management people have given me a bill of \$7500 to do a traffic management plan. A lot of the councils are not up to speed. I would recommend that at some stage there is some way whereby we can explain to them what a farmers market is and the benefits to the local community and how local councils can be seen to good corporate citizens. If they come in and look as though they are supporting it, it would be nothing but good PR for the council.

Mr MORRIS — There is a great need for the planning policy and guidelines to be really infiltrated within the statutory systems of the councils.

Mr ARNOLD — Definitely.

Mr MORRIS — We have an example where we have farmers' markets inside our urban growth boundary in a residential zone and outside the urban growth boundary in the green wedge zone. The guys in the green wedge zone have to go through the whole expense — as Peter has suggested — of the many different regimes of reporting and feedback to the planners just to achieve the establishment of their farmers market. Then just over the fence, on the other side of the urban growth boundary, they do not require any permits at all.

I have certainly advocated for a need for all of the local food systems and farming and planning to be interrelated with the zones and a recognition of a farmers market as being something a bit more than just another venture but adding social, economic and cultural value to the community.

Mr EAGLE — I will just venture into our partnership with Lend Lease. About five or six years ago we were in a meeting with them. They were looking for partners, and we stood up and said, 'We love farmers. We would like to have a farmers market in one of your centres', and that is how it started. They, thankfully, do all that stuff, all those \$7000 things. They have been good corporate citizens.

I think we have helped them with their submissions and their bids because it gives them a little bit of a green thumb on the left-hand side. They have been very good at doing that. We have been successful in gaining support for it. We have had a farmers market fail though in one of those centres, but all of that other infrastructure works there. I think it is good that we get into bed with these corporate people in some areas because they do provide funds and dollars.

The thing is they do not understand farmers' markets, because they were talking about rent per retail square metre straightaway — it was just crazy! That is where they sit. It was a good experience, and it is still an ongoing experience. If you do not know — in Sydney there is a development called Bangaroo. It is on one of the points of Sydney Harbour. It is not going to be done for five to nine years, but we have now successfully signed off. They have got the tender, and away we go again. It is a good thing, and I urge people to get involved with some of those things because they have got big pockets. If you can get a good partnership with them, they can help a lot, especially in the marketing and promotion.

Mr ARNOLD — That takes in health as well. I know that health is going to be rationalised next year, but still the fees — some councils charge nothing but others charge \$250 a year. There is no rhyme nor reason or any standard at the moment. I know it will come in July next year, but just how quick the councils will pick it up, I do not know. It needs to be done fairly quickly because it is a large cost to the stallholders.

Mr FLANNIGAN — Just very quickly, I do not mind telling you that I concur with all you are saying. These are the sorts of ridiculous things one hears all the time. They do not understand it. In fact, even within the planning scheme — and I have written on this in a number of places, wherever I can; I have very limited influence, of course — they will not make a distinction between food retailing and non-food retailing, even within their centres and so forth.

As far as they are concerned, a market is a market. Whoever comes in, it does not matter — that is the market showing its will. I have always pleaded with them to try to make food a special entity everywhere because every one of us needs it. It also impacts on health and so forth, which flows down the line to needing more hospitals and more medical care, the whole obesity thing, early death — all of that. We know that; the medical people tell us that. Unfortunately I feel a bit embarrassed actually to hear your stories about that.

We will be in contact because I do want to write something about it again for the planning fraternity. They do need to understand what the hell is going on in our urban communities.

The CHAIR — Another direction is in our lifestyle. Lifestylers are out there in the green wedge areas and the various peri-urban areas with a few acres. Usually they started off with the pony for the kid, and then when they semi-retire they get interested in the veggie garden and the developing. How do we encourage all of those people to actually to sell some of their product and supplement their income? Has there been any work or anything done in that field?

There is so much arable land around Melbourne that could productively used, even if it is only a small amount; we are not talking about the big producers but the hobbyists around in the community. How can they be involved in the farmers' markets; how do we encourage them? I know we in Victoria have the drought and the water restrictions, but still it is an important asset. Half the time I find out that in my area they do not know what to do with the product.

They grow it just for the family. What they do not need — the tomatoes are all ripe at the same time, the cucumbers come on at the same time — you were saying that half is going to waste or given to friends. How do we get them in because they are definitely not going to a stall at a farmers market.

Mr ARNOLD — We always have a community table at every market. I would have one or two at the market come up to me and say, ‘Excuse me, I have a lot of lemons’ or, ‘I have this fig tree; I just do not know what to do with it’.

The CHAIR — My lemon tree is like that; I am giving them away a bag a week to whoever wants them!

Mr ARNOLD — Yes, but everybody else has them at the same time! Whenever there is glut and things like that, we will always have a table. A few people will come up and say, ‘Excuse me, what is it that you are missing?’, and you say, ‘You could put half an acre of sweet corn in or something like that’. But it is quite labour-intensive, even doing a quarter of an acre of sweet corn or something like that, to actually get in, plough it, plant it, pick it and then sell it.

When people buy a small acreage they have no idea what the labour content is in growing vegetables. To do it for yourself and half a dozen other households is fine, but once you get slightly bigger than that, you need a tractor of some sort, and then you need labour. We would certainly encourage it, but I do not know that it is in the mindset at the moment.

Mr EAGLE — It is very hard. It comes back to education as well, right back to the youngsters coming out of the school. To get there is very difficult. We have a couple of switched-on farmers who will rent five acres and start to grow a new crop. Those particular farmers I am talking about do not have just one line but a lot of these funny-looking carrots and funny-looking potatoes; all the stuff that is the niche range of stuff so they can get into other markets and grow their business.

Farmers are tough; they are lovely people. It took the guy on the Farm Gate Trail 18 months to pay 1.5 per cent interest to the bank because he got an EFTPOS machine in there. We said to him, ‘You need this’, and he got \$75 in the first three days on one transaction that was made; now 40 per cent of his business comes through the credit card. It is hard to change them from their normal belief systems. But you have to keep at it through education, bringing them along with you and providing the opportunities in front of them.

Mr ADA — In answer to George’s deeper question about there being a lot of arable land out there that is not being used and whether we can encourage that and whether people change their motivations for their use of land as they go through the different stages of their lives, I do not think we know enough about that kind of thing and what the interests are of people who own, supposedly lifestyle, properties.

The one thing we do know is that there is a reasonable percentage of people who buy properties for lifestyle reasons when their children are young but sell them all as soon as their kids are teenagers and they have to start running them around and they find they are too far out of town to go to all the activities they want to do. They go back to the suburbs. We know there is a fair turnover at that stage. But for people who go on beyond that, we do not really know what motivates people and would interest them.

Mr ARNOLD — Can I change the subject slightly to go onto weekly and monthly? It is a big question; you brought it up to start with. We have looked strongly at doing weekly markets, but we found by doing the circle — when we first started in South Gippsland, we did South Gippsland, and Cardinia was part of it, Pakenham, Drouin and Phillip Island, so we had a circle in west and south Gippsland where people could access a market once a month — that doing it any more than once a month is overkill.

I know the VFMA is doing one on Sunday and there is also a weekly one on Sundays at Mulgrave. I do not know that that is strong. It has worked in Adelaide, because there are only two markets in Adelaide, anyhow. But with the number of markets and the close proximity to markets, the monthly one certainly works for us. Trying to get it weekly, to get the stallholders to commit every single week to go to that particular area, we found very difficult.

Mr EAGLE — Our experience is very similar. We believe in weekly markets, though, as the driver to get there, but I do not know about the mechanism. Because, as Peter says, you will get one stallholder who goes there but he has already committed for a second Saturday somewhere else. If you want to run your market on the second week, the customers get a different veggie guy, and sometimes that relationship takes a long time to build. There are some things. I believe weekly markets are the best way to go, but it is tough getting there, it is really tough.

Ms EDMONDS — It is a big change to make, I think. When I was in New Zealand they looked at us and were quite perplexed that we generally have monthly markets. All of the markets in New Zealand are pretty much weekly markets. They were all saying, ‘How on earth do you do monthly markets?’. I think that is the nature of the landscape, as much as anything, and the nature of the connection, which they have more, with their food. There are some markets and some places in Victoria where I think it would work. There is certainly a role to play in helping to support some of those get going. But it will not be right for all of them.

Mr HODGETT — You do monthly markets, but how many of your stallholders would do a weekly market and travel so they have an opportunity to sell each week?

Ms EDMONDS — It would really be a matter of sourcing out the stallholders and it would be new stallholders coming into the network, really. Because, as Peter said, the existing stallholders who are out there are doing their own circuit.

Mr HODGETT — So they, in effect, are doing it weekly, because they are just following four sites?

Mr ARNOLD — Absolutely.

Ms EDMONDS — That is exactly right. A lot of the shoppers do it weekly as well, because they just follow around the markets. What the proportion of that is, I am not sure.

Mr ADA — To answer your question, David, the value-added produce is a significant part of farmers' markets. In fact our evidence on the markets in our area shows there are about twice as many stallholders with processed food as there are with fresh produce. The evidence of our market managers, particularly of the regional food group, is that many small food processors in our area actually make 100 per cent of their income from attending farmers' markets. They are following them around literally weekly in order to do that.

Mr EAGLE — From the customer's point of view I think if you have got a weekly market, sometimes the customer does not really care, as long as there are fresh vegies and they have that strong relationship. If you can get the supply side right, you can do that. A lot of our stallholders go all over the place. They are doing markets every time. They split some weekly markets, and employ some more people to go to other markets. Sydney is full of markets now.

Mr FLANNIGAN — I do acknowledge all the difficulties that you guys identify, because you are closer to the problem than I am of course, but I really do urge you to keep the focus going, that down the track we will have them least weekly, because then it becomes serious retail. If you are saying to me, ‘Come this week, but there is nothing near you for the next three or four weeks’ — and we are not talking about people who are able to travel great distances; some people just totter down to the local farmers market — we are denying them that opportunity, particularly in the heavy urban area.

In my submission I invite everyone to look at the website of the New York market. Some of their farmers' markets are four days a week. You are talking serious retail. That is an alternative supply outlet when you are getting that.

I will give you another little anecdote on that. This is a question for everyone: how do you deal with things like fishermen? Does anybody have that?

Mr ARNOLD — Have what?

Mr FLANNIGAN — At the Union Square market in New York, which is four days a week, there is a stall there and he has got a queue waiting for his fish. He is finished by 12 o'clock, and he is out of there. His sole livelihood is in the morning he goes fishing. He drives it to downtown New York — Manhattan and to Union Square — and he sells his fish and goes home. Four days a week he does it, and the other three days he fixes his nets and does whatever else he has to do.

Mr ARNOLD — We have the market on Phillip Island where there is an enormous fishermen's cooperative right at San Remo. We have never in any of our markets — we have set up 17 of them — had one fish person come to the market, because all that fish from San Remo goes straight in to the fish markets of Melbourne. A lot of it comes straight back to Phillip Island, mind you!

We have not had one who has been able to sell fish. Also health wise they are under much more restrictive covenants even than selling meat. We had trouble with meat in the first three or four years. We would love to have fish in, but it is impossible at this stage.

Mr MORRIS — Your barramundi farmer, of course.

Ms EDMONDS — There is farmed fish. There are some farmed fish.

Mr MORRIS — Which is a value-added product also, so it is pre-packaged and available.

Mr FLANNIGAN — Where is that?

Mr MORRIS — This is both at Cardinia and Casey. He probably frequents all around the market traps, but he is based in Cardinia shire.

Mr FLANNIGAN — He captures it himself?

Mr MORRIS — No.

Mr ARNOLD — It is farmed at a couple of trout farms. We have got farmed trout, too.

Mr NARDELLA — There is a farmer in — —

The CHAIR — Werribee, in Wyndham.

Mr EAGLE — Our largest market is around about 3200 or 3500 people, 60 stalls, and they generate \$55 a head — roughly spent on the day — so it is about \$175 000 once a month. If you could turn that into once a week, that would be fabulous. We would really love to go once a week, but it is not the time.

Mr ARNOLD — With once a week it is difficult first of all to find a site where you can go there 52 weeks of the year. Then you have a totally different health regime that they would have to look at, because they are not doing 12 markets a year — they would be doing 52 in the same shire. I do not know, but probably most of the health departments would probably throw their hands up at us.

Mr ADA — There are new rules coming in about requiring food registration starting in July 2011.

Mr ARNOLD — Yes, I know.

Mr ADA — One registration will operate across all councils.

Mr ARNOLD — Yes.

The CHAIR — That will be a great advantage.

Mr ARNOLD — Absolutely.

The CHAIR — Can I just go in another direction and ask for comments on whether you feel a farmers' markets would gain anything if they were publicised more as a tourist attraction to the area? I am referring to the Yarra Valley and how they advertise tourism. How could that be incorporated? If you have got the fixed dates and the market rotates, the general public would know.

Mr ARNOLD — At the first talk I went to by Jane Adams, who is the godmother of farmers' markets, her first statement was, 'You deal with the locals; the tourists are extra'. You actually have to cater for the locals first, because the tourists are very fickle. In saying that, come summer at Churchill Island, Inverloch and Venus Bay, down along the coast, we run them weekly, mainly because the tourists are down there and they need to buy food. But the tourists are very fickle, even in South Gippsland. If it is a really miserable weekend, you just do not get people travelling down to the Prom. It is as simple as that. You actually have to work with your locals. I would think with the urban markets, the tourists are almost impossible to identify, but I am sure they come through.

Mr EAGLE — The Farm Gate Trails is an agritourism product that is really about tourism working for farmers, not farmers working for tourism. We really focus on the farmer here to do that. I agree with Peter: the tourists are very hard to pick. This product is called a wild hibiscus in syrup; I do not know if you have seen it. This guy started off on a farm gate trail showing people how to grow bush tucker, then he decided to get some of it himself. It is a rosella flower, if you like, dropped in a syrup. Eight years later he exports to 33 countries across the world. He has a beautiful house and a beautiful car, and he works very hard.

The CHAIR — Make sure you give it to the Hansard reporters so they know what you are describing. We do not have video cameras.

Mr EAGLE — Sorry. It is a good product, and his is another one of those incubator ideas that was at the farmers market. His was an incubator business at our farmers market; he still attends.

Mr ARNOLD — Although the exception to the rule is Daylesford, because we have a very strong market in Daylesford come school holidays. It is more so in winter than in summer, because the tourists go up to Daylesford in winter rather than in summer. It is a much stronger market then than it is in summer, but again we have to work more with the locals and hope that the tourists come up.

Mr ADA — I hear what Peter says about having to work with the locals first to get a base, if you like, to your market. But the motivation for us to do the survey we did that informed much of our submission was in our tourism policy and action plan. We identified that farmers' markets are a part of agritourism. We get 1.5 million tourists a year, most of whom are day visitors, so they can easily buy food and take it away again. That is 30 000 a week. One of our motivations was that we were trying to get increased "product" available for tourists to be able to use to encourage them to stay longer and overnight, and farmers' markets will be just one extra product that is available for people to do something when they are out in the Yarra Valley and to encourage them to stay an extra day. So we see it as quite a valuable part of our product.

Mr HODGETT — Can I just add a point? I am interested in the comments and general discussion going around. Last week we were at a market and it struck me for the first time that a lot of the stallholders at that market were from the other side of town. The people were basically saying that if someone was, for example, a local jam producer or whatever, they had tried that market and they were getting the same customers as those who would come to their stall, so they thought there was little point being out at a market on a Sunday. Those people who know their product and want to buy it will come to them during the week. So their motivation was to increase their market size, therefore they were chasing across to the other side of the city and setting up stalls there where they would be selling to new markets.

My question is: where does that sit in terms of looking after local businesses? Where does that sit in terms of having markets — Nigel, you said in the streets — where outsiders might be deemed to be a threat to the local businesses? I just throw that in for some comments.

The CHAIR — Anybody? All three of us were told that.

Mr HODGETT — And it struck me for the first time that it was logical.

Mr ARNOLD — Absolutely.

Mr JACKSON — If I can answer that in a roundabout way, we are certainly similar to Ian in that we are looking to our tourism industry as a business sector in amongst our businesses. We are trying to get them to very much change their focus from trying to attract this nebulous tourist to saying, 'Your market for all these tourism-related industries' — and farmers' markets, farm gate and all those sorts of things are part of it — 'is in fact your local people, who are going to come out for day trips or half-day trips and that sort of thing'. Yes, I could see a motivation for going across town to establish a new market, but we are encouraging our businesses to look at the population on their doorstep and sell to them. They are more likely to become loyal and repeat business and all those other sorts of things.

The CHAIR — I will just come in on that one. I raise the Portarlington Mussel Festival. Basically they advertise in a letter at about the end of February, when people have already packed up and gone, but it is advertised right through the holiday season, and they get a lot of people there. It is a big event.

Mr JACKSON — It is an event.

Mr NARDELLA — The other thing that I think a lot of shopkeepers have problems with is the idea of competition. For example, in Melton we have the High Street strip shopping centre, and they compete with not only the rest of the regional shopping centres but also with Woodgrove by QIC, which is a big shopping centre.

Mr FLANNIGAN — Yes.

Mr NARDELLA — The strip shopping centres do really well. There is the Djerriwarrh Festival, for example. It is an annual festival. They set up stalls at the front of the place, and they get lots of people coming in. But to get through to those shopkeepers that, ‘Yes, it would be a good idea to once a month have people come in from within the town, essentially, or from Bacchus Marsh or from around the district, and they might be competing with you, because you’re fruit and veg’ — although in fact there is no fruit and veg there — ‘but you’ve got a stall out the front so you’re actually getting more through traffic’, that mindset, is really difficult.

Mr ARNOLD — Absolutely.

Mr NARDELLA — They say, ‘But they’re coming in and taking our customers’; ‘Well, hang on, you ain’t got no customers because they’re all going down to Woodgrove. How are you attracting them?’, and they say, ‘Well, it’s a bit — you know’. Trying to get that mindset changed is really difficult. I do not know how you do that.

Mr ARNOLD — It is difficult, Don, I agree. But as I think someone mentioned first off, the market may be 2 kilometres or 1 kilometre away, but when the family goes out, as soon as they start putting their hands in their wallets they will even drive back into town and continue to spend. When they started the Djerriwarrh market, the big independent supermarket manager across the road came across and abused me and said, ‘You’re going to take my business away’, and I said, ‘No, we won’t’. Three months later he came to see me and said, ‘Peter, you were absolutely right, because when you have a farmers market here, my takings go up by between 16 and 18 per cent’. What we used to do was talk to the local stakeholders and say, ‘Yes, there are the jams and chutneys and eggs and so on, but they’re only there once a month. If someone goes up to the egg person and says, “Where can I get your eggs next week?”, they can say, “Look you can go to Fred Nurk down the road there; he’s got a shop, and he’ll carry my eggs”’. It is cross-fertilisation. It is a matter of getting the local retailers to work with the market and vice versa, because it does stimulate. There is no such thing as bad competition; it is always good, because it does stimulate.

Mr NARDELLA — That is probably a very good example — sorry, I will come back to you — that we might put in our report, because the danger is that people see that as a threat. I have had restaurants and others come to me and say, ‘You’ve got to stop that pizza restaurant opening up down the road’, and I have said, ‘Why? Do you want us to be in a communist country?'; they say, ‘Oh, no, they’ll take business away from me’ and I have said, ‘What about expanding or creating and working with them to grow your customers rather than shrinking your customer base?’.

Mr ARNOLD — Yes, absolutely.

Mr NARDELLA — Certainly that example you gave is a good example of how it could work for a lot more people and for the townships. The IGAs or the Coles or whatever else are actually competing not only within the town but also with the other townships around.

Mr ARNOLD — Absolutely.

Mr NARDELLA — Certainly in the interface areas they are actually competing, in my area, with the Highpoint Wests, the Woodgroves and the Sydenham and Sunshine shopping centres, which are all outside of those towns.

Ms EDMONDS — Just so that you know, in the customer research we have done we have questions such as, ‘Did you shop at any other local businesses today?’ and ‘Would you have otherwise shopped at them?’. So we will have some quantitative data on that as well.

Mr NARDELLA — That is very good.

Mr EAGLE — Part of our research found that for every dollar they spent at the farmers market they spent another 20 cents somewhere around the community — buying petrol, newspapers, those types of things. Just to follow up on what Peter said, we have had the experience where the honey people and some of the jam people have actually taken their product from their own stalls and put it in the retail centre, which has worked well for them. On the other side of that coin, we signed a contract with Lend Lease and GPT, but it bound us to a five-year contract for one market per month. Within a year we realised that we needed to go a bit more frequently, but we could not do it. It is another warning for people about signing contracts. We were locked out because we had signed the contracts. But there was that competitive problem. The lease of every other person in the centre said, ‘There is going to be a farmers market out there on the Saturday, so just get used to it’.

Mr NARDELLA — But did you find with that arrangement that other shop owners actually increased their amount of turnover?

Mr EAGLE — I do not know about the turnover, but I know there were more people coming through the centre on that fourth Saturday of the month. Something like 7 per cent more traffic was coming through the centre. I think they measure it by some clicking machine or something; I am not sure how they measure it. They said 7 to 10 per cent more traffic was coming through the centre on that fourth Saturday.

Mr NARDELLA — You have asked and tried to renegotiate that contract, and they have just said ‘No’?

Mr EAGLE — Yes. The market has failed, though, it has gone out. We would say to them, ‘Your data might be 7 to 10 per cent, but they are not coming out to the marketplace’. Once the stallholders leave you lose confidence and it just spirals down, and you have to get out.

Mr ARNOLD — At Inverloch two extra dress shops open on the main street when we run the Sunday market, so it helps — and the supermarket.

Mr ADA — What you are saying is that there are shops already in the street, but they are now opening on a Sunday when they did not before?

Mr ARNOLD — Absolutely.

Mr HODGETT — Sam, does your research ask where the stallholders come from and the distance travelled or anything like that?

Ms EDMONDS — Where the consumers come from, yes.

Mr ARNOLD — To answer your question, I do not know that there is an answer, David. I think it comes down to market forces and free will to a certain extent. I mean, when you are looking at a regional or a country market, ‘local’ is in the local area; in Melbourne it is dealing with Victorian produce. For example, in Williamstown if I have not had a jam maker, I have had to bring one from Drouin. At least he is prepared to come there. People have said, ‘Why haven’t you got any jam there?’. They were more interested in why they did not have jam there than where it comes from. As long as it is from Victoria and the people who have made it are selling it, they are more interested in that than in saying, ‘Oh, my god, they came across the West Gate Bridge, did they?’. They could not give a what’s it. They are more interested in having the market mix and trusting it — and it is trusting, but they can always look at our criteria. It is the same with the VFMA. There has to be a level of trust. If not, the stallholders are the best police you will ever get. They will come and tell me absolutely, ‘Someone’s got bananas under the table there, you know? He’s selling so-and-so. You’ve just got to stop it’. They know what the rules are, and they play by the rules; they know that otherwise they will not stay.

Mr FLANNIGAN — I have to come in on this one, Peter, I am sorry. I think there is a real concern about the local traders who often are struggling and do not have the wherewithal to basically expand or anything, clearly.

Mr NARDELLA — It is called business skills.

Mr FLANNIGAN — That is exactly right. That is where the real problem lies. But I think you could reasonably sit down with them and explain to them that the logic that you are promoting — and I think it is absolutely correct — is, ‘What we are doing here is bringing in more people, and you can hang out your shingle

and you should be able to do more business'. If there is a direct competition, I think maybe you should dull that down — I would not always argue that — or give them some other added bonus.

My bonus to somebody like a greengrocer — because there is no net community benefit if the farmers market is a success but the greengrocer goes out of business for the other five days a week; I do not think anyone would disagree with that — would be to basically say to them, 'We're going to give you a privileged position. You're not going to do terribly well with your fresh leeks, your brussels sprouts or whatever because we have a guy who is going to come in who can basically beat you. It is going to be fresher and all that sort of stuff. But you will be permitted to sell oranges and bananas, which he will not be permitted to sell', the assumption being that they are going to get that flow-on that people need to fill the fridge. The farmers market is not able to cover the whole range of products that a person needs.

I think that can be worked through, but it has to be on an individual basis. You have to just look down the high street and basically say, 'If we allow that kind of farmers market stall, that will certainly put them under pressure'. It is an uneven playing field. Basically what is happening is that the stallholder has a low-cost, short-term benefit, whereas this guy has to pay rent for seven days a week, 52 weeks a year. He is really in Struggleland to try to compete against somebody who comes in with temporary stock and a smaller line.

Mr ARNOLD — I would disagree.

Mr FLANNIGAN — I would worry if you did not.

Mr ARNOLD — David Suzuki gave a talk at the opening of the farmers market in South Australia explaining that we people who live in the southern part of the continent live on heavier food. In winter we eat the swedes, turnips, brussels sprouts, cabbages and potatoes, whereas up north in Queensland they live on tropical fruit. It is like we have a totally different diet. If they want a different diet, they can go to the supermarkets. We have to draw a line somewhere to say, 'This is Victorian produce' or 'It is produce from the Macedon area' or something like that. Because the local retailer is allowed to bring in everything — because it comes from produce unknown; how long is it going to last on the plate? — he will actually drop the standard of the market. People will come back and say, 'Those bananas went brown in three days'.

Mr MORRIS — And it will affect that appreciation of seasonality and the other infiltrations of culture change that the market is supposedly trying to achieve. You are looking at a local business concession, I know.

Mr FLANNIGAN — I am trying to make sure that the value of the market is not negated by the destruction of another bona fide retailer, who is also a small businessman and is part of the community, in terms of his family being there and putting money back into the community. He ticks all the boxes of the guy in the market stall — in fact more if the market stall comes from outside the area.

Mr EAGLE — We went to a local retailer in one of the suburbs in our geographic area, who is a greengrocer. We said to him, 'We have got a fantastic product. If you could label all your local produce with "Hawkesbury Harvest", it would be good for branding and people would know it locally'. It disturbed him a little bit because it meant all the cabbage was local but all the other produce was not local. That worried him a bit. He had a go, anyway. But then he looked on our website and found there was a cabbage grower up in the mountains selling cabbages, and he did not want to play the game anymore because he did not want the competition, even though it was a different market. It is interesting. You have to work with these people and bring them along slowly; it is a trust thing. I think you can get them there eventually. But I do agree that the bananas should not be there.

Mr ARNOLD — We need Solomon here!

Mr EAGLE — Just on another thing, we had a mango grower who had 40 mango trees. That is all he had, 40 mango trees above the frost line at Grose Vale. No-one knew he was there. Someone found him, and now he shifts all the fruit off those 40 mango trees via one of the farm gate outlets. He loves it. No-one ever thought you could grow mangoes in the Hawkesbury.

Mr ARNOLD — I got really upset with someone who was selling avocados down at Metung. I said, 'Where the devil have they come from?', and he said, 'I grow them just around the corner' — and they do. You can get yourself into a mess with it sometimes, too.

Mr FLANNIGAN — Previously we were talking about the tourism thing. One of the best ones that I have seen, and the story is very interesting, is the Willunga Farmers Market in South Australia. I do not know whether anyone has looked that up. It is at the end of the Clare Valley, so it is not doing it on a song, I might add. Obviously it is a nice trip down; you can go to the wineries and do all that sort of stuff. And it is a weekly market — every Saturday morning. It actually rejuvenated the village and the businesses they are setting up around there are restaurants, cafes and the like. They ended up preparing a plan and getting a grant to put in a square, rather like you, Peter, with the grass thing, because it was carrying too much traffic. I have visited that market and frankly it is really one of the better ones in Australia. I think it is worth having a look at it.

Mr ARNOLD — George, I agree with you that if the government could coordinate in some way to get a farmers market trail through the state, I am sure it would help. It could do nothing but help, because most people in the city know what a farmers market is and if they could go and visit the one in Hamilton or the one in Castlemaine, in Bendigo or something like that, or make a trip of it, I certainly think it would be worthwhile for sure.

Mr MORRIS — This website is fantastic and I have been trying to find the funding to achieve it just for our Casey-Cardinia region. Certainly we would see value in it becoming Victoria-wide, something that really puts together a ‘Where to?’. I think it is an opportunity for a resource so people know where to go; they do not have to sit and google this and get 50 different results for farmers’ markets. They can get onto the Victorian local food systems website or whatever it is and they can then jump into the regions that have their own specialties or whatever — festivals and food.

The CHAIR — I raised the issue because it sort of equates to the casino, which they do not want to mention. Pensioners are taken there for an excursion. I am sure a lot of the elderly would go up to Daylesford or Bendigo on a bus trip, and visit a market if it was on a weekend. It would be a day out for them and they could see a different region and different areas.

Mr MORRIS — I do not want to carry on whingeing about how disadvantaged we are in our region, but we are not considered a regional area. Again we are not considered a tourism destination; we are not even supported on the jigsaw puzzle of Tourism Victoria. We fall out of all the strategies and funding and resource from the state government to develop our agritourism, tourism, food tourism or whatever.

So an appreciation that the opportunity is there — and you can draw the line anywhere or you can call it statewide — but it should be something that is equally available to all areas that have a farm, a farm gate or tourism opportunities to access a lot of this funding and these strategies.

Mr NARDELLA — It might be an issue for the Interface Councils group to try to work through along with the peri-urbans like the Moorabools, the Mitchells and the Baw Baws and others, so they can actually work in together to do this. It might be that the Interface Councils group through RDV funding, tourism funding or some other source of funding, could develop that website but then link in with some of the other developed trails.

I do not know about the Williamstown market, but in essence you could do Williamstown, probably one in Bacchus Marsh although that one would go over, and certainly the Sunbury market that is on its way. You could actually do a western region one. We are not part of RIDV, but there would be other tourism sources of funding or interface sources of funding to try to get that together. Certainly the Interface Councils group should be looking at doing that through the MAV and talking to whoever they need to talk to.

The CHAIR — We were just talking about that. Basically in every region there are some tourist attractions where people can be taken on bus trips and so forth. Food is something that everybody is interested in all of the time, and farmers’ markets are a curiosity; they are just something different for people to see. If they know they can plan an activity rather than going on spec, they will do that. We are an ageing population and there will be more seniors doing that and just exploring that. As grandparents, we will start talking about the health of our grandchildren. Mum and dad are too busy. They go into a supermarket at midnight after work to buy whatever they can get off the shelf quickly. People do not have the time to put in. Then on weekends they are busy taking the kids to Little Athletics, footy, cricket, swimming — you name it! They are busy. It is targeting some of those people. As you said, a lot of them are open-air. I went to Bendigo years ago. The farmers market was at the old showgrounds; at least it was undercover and a different experience. I am raising that issue for you to comment on. I am conscious of the time. Does anybody have any comments on that?

Mr JACKSON — I guess there are two reasons for farmers' markets. One is the food security, the access to fresh local food. That generally involves access to economic, as low-cost as possible, food. The other issue is that farmers' markets also serve a niche for value-added quality where people will pay a premium. There are two different issues that generally need to be looked at and considered. I guess the question for all of us is how we can achieve that mix and try to get the balance so that the farmers' markets that we have do provide a little bit of both of those things.

Mr SHERRY — You pick up on a good point in the context of niche product which is value added, often at a premium. I think it is probably agreed that generally it is not necessarily the cheapest way. The terms of reference and the general access to farmers' markets are around small-scale producers. We talked around the large cauliflower growers and the others who are servicing the large supermarkets. It is a different operation.

It does not matter whether it is that operation or the small-scale niche producer, it is around their competitiveness and their ability to run a business that is profitable. There is a range of options for consumers to access food. The farmers market movement and the increase from 1999 to now in the number of farmers' markets is evident; there is growing demand for different ways of accessing food by the consumer: from the large supermarkets to the independent supermarkets to online supermarkets and other providers to local supply chain co-ops that are very regionally based to the farmers' markets et cetera.

The point is that it is a mix of access. There is definitely a growing demand, not just in Victoria but also nationally and internationally, for accessing different types of food in different ways. I see the farmers' markets as one of those new avenues that is meeting that demand. The key is around the competitiveness of producers. Farmers' markets are an avenue for small-scale producers to sell product — also through greengrocers for the value-added and the manufactured goods, whether they are conserves or other things, that add to the mix in the greengrocers.

The mix is growing in contrast to the traditional focus on the supermarkets. But it comes back to whether it is competitive and where you can access your consumer demand.

Mr HODGETT — Just in terms of reference 3, where you talk about barriers or impediments to developing long-term growth — are there any final comments on the role the government should play in the future of markets?

Mr EAGLE — I do not think it should be regulating farmers' markets. That is my view. They should be self-regulated. It relies on people and associations doing that, because you will add cost with that. Just from a government point of view, you need to inject into the planning cycle somewhere the essence of a farmers market in local communities and the access to fresh food. Even though the large chains are there supplying what looks like fresh food, we know it has a few extra days tacked into it. Some of those things are the important issues.

Mr FLANNIGAN — I will definitely come in on this one. I think Parliament should put the finger on the state government planning department to actually have a plan for food distribution, and it can deal with the agricultural people on that. One of those would be the distribution of farmers' markets. In fact I think they should be told, 'Go do it, guys', because to date — and we have talked about that — they have shown no interest.

In terms of the regulation, I agree with you, I do not think they should be running around saying, 'Here is somebody who wants to open it, but it is not where we thought it should be'. We get that. If people want to do it, and if that is where the initiative and the energy is, that is where it should be. The value and quality of the market depends on the quality of the guys who are running it. If they have got energy and enthusiasm and innovation, it is going to be a boomer; if they yawn, it is going to be hopeless. I would encourage that.

I would also be putting it on local government and saying, again, there should be a food plan. Every now and again some of the researchers find out that there are little pockets — and, in contrast to some other communities, there are only little pockets in Australia; thank God! — there are what they refer to as 'food deserts'.

We have found out that the (inaudible), for example, just cannot get fresh food; they have a problem. It is hard to believe, isn't it? It is hard to believe it is difficult to get food in Australia where we are really bountiful. I

think it should be their responsibility. That tends to come through the Department of Health, but I think the finger has to be put on the planning departments of state or local governments, to say, 'Look fellas, we can't have that; it is just terrible'.

Mr ARNOLD — It would help.

The CHAIR — Thank you very much, all of you, for attending and participating. What is your reaction to having this sort of forum in an inquiry like this?

Mr FLANNIGAN — Fantastic. Thank you for the opportunity.

Mr ARNOLD — It is a good way of doing it. We certainly welcome the opportunity to speak to you about what it is like on the ground and where we are going and where we would like to go.

The CHAIR — It is less formal, but we have it on record and we can use it in our report. Once again, thanks very much for your attendance and participation. I declare the meeting officially closed.

Committee adjourned.