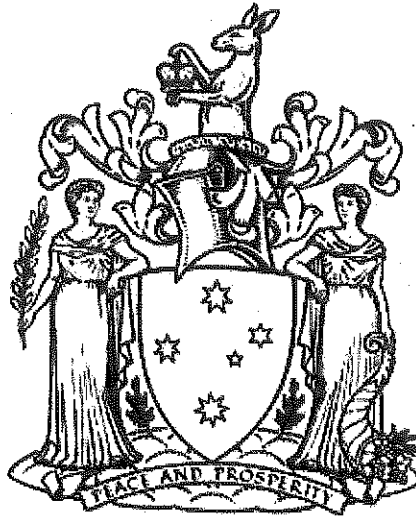




Victorian Government

Response to the Outer Suburban/Interface
Services and Development Committee's
Report of the Inquiry into

Farmers' Markets

April 2011

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Minister's Foreword

The Victorian Government has committed to supporting the Victorian agricultural sector through a range of new initiatives, while supporting and strengthening the links between food producers and consumers.

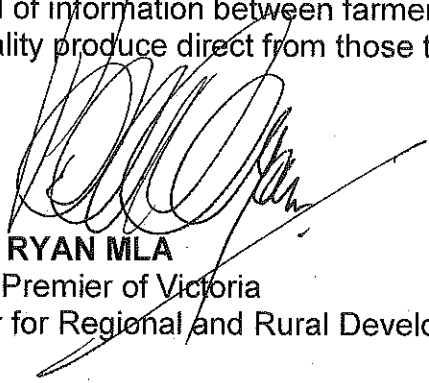
The resurgence of 'farmers' markets' throughout the State represents a great opportunity for Victorian consumers to re-establish direct ties with food producers.

The experiences of the *Outer Suburban/Interface Services and Development Committee* through the course of this Inquiry have shown that customers at farmers' markets have great enthusiasm for connecting with farmers.

They enjoy the freshness and authenticity of high-quality produce.

All Victorians benefit from a prosperous farming and agricultural sector which provides quality local produce, as well as direct and indirect jobs for many Victorians.

The Victorian Government sees farmers' markets as a small but important aspect of the agricultural and food processing sector. They provide a direct channel of information between farmers and consumers, and a great place to buy quality produce direct from those that grow and make it.



PETER RYAN MLA
Deputy Premier of Victoria
Minister for Regional and Rural Development

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Introduction

On 13 August 2009 the Outer Suburban/Interface Services and Development Committee (the Committee) received the following terms of reference requiring the Committee to inquire into farmers' markets:

1. Identify the types of farmers' markets operating in interface municipalities and peri-urban areas;
2. Investigate the history and growth potential of this form of retail/agricultural activity and the demand created for products sourced from interface and peri-urban areas;
3. Examine the structure, codes of practice, strategic planning and economic viability of farmers' markets and any barriers or impediments to their development and long term growth;
4. Examine how farmers' markets can contribute to increasing the viability of small scale farming enterprises located in the interface and peri-urban municipalities, especially in the designated 'Green Wedge' zoned land; and
5. Identify any barriers to access farmers' markets for producers to supply or retail at these markets."

The Final Report (the Report) was tabled in Parliament on 6 October 2010.

This inquiry was commissioned as an extension of the *Inquiry into Sustainable Agribusiness in Outer Melbourne*, tabled by the Committee on 26 May 2010. Much of the material in the current inquiry references this previous inquiry.

The Victorian Government is aware of the importance of the food and agriculture sector to the economy and food security of the state. Victoria's food and beverage industry is a key contributor to the Victorian and Australian economy, with annual turnover of over \$25 billion, and exports worth close to \$6 billion. The industry is also a significant employer, providing one in every five jobs in regional Victoria.

Farmers' markets support Victoria's food industry by providing a range of benefits to farmers and consumers, developing links between farmers' and consumers, allowing farmers alternative outlets for their produce and providing a direct avenue of customer feedback to farmers.

The Victorian Government currently supports farmers' markets through the *Farmers' Markets Program*, a \$2 million grants initiative administered by Regional Development Victoria. The program aims to develop markets that can grow and operate as economically sustainable community events to bring local produce direct from producers to consumers.

Through the Farmers' Markets Program, the Victorian Government supports and works in partnership with the Victorian Farmers' Markets Association

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

(VFMA), Victoria's peak body representing farmers' market organisers and vendors. The VFMA provides a range of services, including training and accreditation programs, administrative support for farmers' markets and organising workshops and events for organisers and vendors.

There are twelve recommendations in the Report. The Victorian Government response to each recommendation is as follows:

- **Supported:** The Victorian Government fully supports the recommendation and is currently enacting or will soon enact initiatives and/or activities that are in line with the recommendation.
- **Supported in Principle:** The Victorian Government supports the outcome or the principle of the recommendation, but will be seeking to achieve that outcome or principle by means other than the actions described by the recommendation. Alternatively, Government support for this recommendation may be contingent on the outcome of another process, such as the Victorian State Budget or an evaluation.
- **Not Supported:** The Victorian Government does not support the recommendation.
- **Recommendation Noted:** The recommendation is not directed to the Victorian Government, and therefore does not require a response. However, the recommendation is noted by the Victorian Government and will be passed on to the appropriate organisation.

In total, one recommendation is fully supported, six are supported in principle, three are not supported and two are noted.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 1 That the Victorian Government continue to fund the Farmers' Markets program beyond 2011.	Supported in Principle The Victorian Government Farmers' Markets grants program is currently funded until June 2011. The Farmers' Markets Program has provided \$2 million to farmers' markets since 2007 with the aim of developing markets that can grow and operate as economically sustainable community events to bring local produce direct from producers to consumers. A large portion of this funding has been used to establish the Victorian Farmers' Markets Association and to develop accreditation and training programs for farmers' market operators. The Victorian Government has committed to an overhaul of industry grant and assistance funding. Future funding for this program will be considered following the outcome of this review and as part of the Budget process. The Victorian Government will continue to consult with the Victorian Farmers' Markets Association to determine how it can most effectively support farmers' markets in future.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 2 That Regional Development Victoria, in conjunction with Tourism Victoria, provide funding for interface local governments to develop agritourism websites promoting food-related tourist destinations, including farmers' markets, farm gate sales, cellar doors, 'pick-your-own' farms and festivals and events.	Supported in Principle The Victorian Government recognises the importance of regional food and wine products and events, including farmers markets, and supports this recommendation in principle. Farmers markets and regional produce are promoted on Tourism Victoria's consumer website, www.visitvictoria.com. Farmers' markets and regional food and wine events are eligible to create free event listings to profile their events on this site. This website is capable of operating as a 'one stop shop' for tourists and visitors seeking information about regional events. Tourism Victoria contributes funding to and works with Regional Tourism Boards to develop marketing strategies to promote the product strengths of regional Victoria, including food and wine. These strategies include online marketing initiatives. Providing funding to local governments to develop individual agri-tourism websites would be more costly and less effective than the existing single Victorian tourism website.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 3 That the Victorian Government work with the Australian Government, the Victorian Council of Social Service, Victorian Farmers' Markets Association and farmers' markets operators to examine innovative options (such as linking Centrelink concession cards or seniors cards) to ensure that the cost of produce at farmers' markets is accessible for people on low incomes.	Supported in Principle The Victorian Government recognises the importance of access to healthy produce for all members of the community. While farmers' markets provide opportunities for some producers and consumers, they are not necessarily the most effective or appropriate mechanism to facilitate easy access to affordable, healthy food to all consumers, especially those on lower incomes. The Victorian Government seeks to avoid any increase in administrative costs associated with farmers' markets as this may inhibit their functioning and act as a disincentive to vendors. However, the Victorian Government will explore innovative options in consultation with the Victorian Farmers' Markets Association to make produce at farmers' markets more accessible to people on low incomes.
Recommendation 4 That the Victorian Farmers' Markets Association review its policies concerning local producers selling on behalf of other local producers, in order to: • Introduce greater flexibility for farmers and markets; and • Ensure maximum transparency and disclosure of the origins of products sold at farmers' markets.	Recommendation Noted The Victorian Government notes this recommendation. This matter is the responsibility of the Victorian Farmers' Markets Association. The Victorian Government will refer this recommendation to the Victorian Farmers' Markets Association for further consideration. The Victorian Farmers' Markets Association has guidelines for accredited farmers' markets that ensure that information on product origin is displayed at stalls. The Victorian Farmers' Markets Association regularly reviews its policies and guidelines in consultation with farmers' market organisers, vendors and the food industry.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 5 That the Victorian Government continue to encourage and support high standards for vendors trading at Victoria's farmers' markets.	Supported in Principle The Victorian Government recognises that the Victorian Farmers' Markets Association has played a key role in facilitating high standards for vendors trading at farmers' markets and has supported this through training and accreditation funded by the Farmers' Market Program.
Recommendation 6 That the Victorian Government establish a program to identify vacant rural land suitable for agriculture in peri-urban Melbourne and encourage its lease to farmers and community organisations seeking land.	Not Supported The Victorian Government does not support this recommendation. The Victorian Government sets out clear strategic directions through policy, programs and strategic land use planning studies as a way to provide clarity and inform decision making relating to future uses of land resources, including the use of land for agricultural and community purposes. Leasing of land and share farming are already viable options available to farmers and community organisations. Existing leasing services are available to interested parties through the private real estate market and agribusiness groups. The Victorian Government has also committed to establishing a new Peri-Urban Council Unit within the Department of Planning and Community Development to assist councils with long-term strategic and structure planning, population management and environmental and biodiversity issues.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 7 That Victorian local governments seek opportunities to support farmers' market organisers and reduce regulatory barriers for farmers' markets.	Recommendation Noted The Victorian Government notes this recommendation, and will continue to encourage local governments to support farmers' market organisers and to reduce regulatory barriers where possible. The Victorian Government has worked with local governments to reduce regulatory barriers for farmers' markets, including supporting the development of the single registration system for mobile food vendors (see Recommendation 12). The Victorian Government will continue to encourage local governments to streamline processes for farmers' markets and similar recurring events.
Recommendation 8 That the Victorian Government work with the Interface Group of Councils to develop a streamlined and standardised planning approval process for all new farmers' markets.	Supported in Principle The Victorian Government supports the streamlining of process and the removal of unnecessary regulatory burdens where possible. The Victorian Government consults with the Interface Group of Councils over a range of planning and regulatory matters and will continue to encourage and support all local governments to consider streamlining planning approval processes.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 9 That the Victorian Government, through the Department of Planning and Community Development, work with local government to: • ensure that farmers' markets are sited in high-visibility locations (such as public transport hubs, activity centres or retail centres) which are accessible and likely to provide maximum benefits for nearby businesses; and • facilitate and assist with access to services, such as power, public amenities, water and traffic management.	Supported in Principle The Victorian Government works with local councils to identify a range of uses for public land suited for community purposes which may include events such as farmers' markets. All events and activities in public places, including farmers' markets, require that issues such as access to facilities and amenities be taken into consideration and be factored into the setup and running costs of the event. The final decision on the use of land is the responsibility of local government and dependent on a number of factors and priorities.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 10 That the Victorian Government, through its Farmers' Markets Program, ensure that a specific number of grants are dedicated to the establishment and operations of farmers' markets in lower income outer suburban areas or areas with limited access to fresh food. Ideally, the Committee believes all Victorian local government areas should have at least one farmers' market.	Not Supported The Victorian Government does not support this recommendation. The Victorian Government recognises the need for all communities across Victoria to have access to healthy, affordable food. However, farmers' markets are not necessarily the most effective or appropriate means to facilitate this objective. The aim of the Farmers' Market Program is to develop farmers' markets so they can grow and operate as economically sustainable events. Victorian Government support for farmers' markets is therefore based on the feasibility of the market, which includes factors such as accessibility, estimated customer numbers and community support, rather than by location. Support for farmers' markets that are unlikely to become economically sustainable in the absence of ongoing financial support would not be an effective use of the Farmers' Markets Program. Existing concession initiatives through the Department of Human Services relating to energy, rates, water and hardship, provide a more suitable channel to meet the objectives of this recommendation. Eligibility for a concession in the above areas could lead to flow-on effects whereby pressures faced by lower income earners with regards to the costs of fresh food, or costs associated with travelling to gain access to fresh food could be eased.

VICTORIAN GOVERNMENT RESPONSE TO THE INQUIRY INTO FARMERS' MARKETS

Recommendation	Response
Recommendation 11 That the Victorian Government include a clause in the State Planning Policy Framework specifically noting the importance of ensuring access to food and encouraging a diversity of local food outlets, such as farmers' markets.	Not Supported The Victorian Government does not support this recommendation. Changes to the State Planning Policy Framework are not the appropriate mechanism for encouraging diversity in food outlets. Farmers' markets are food retail events, rather than established businesses with specific buildings and facilities. As such, farmers' markets do not come under the jurisdiction of the State Planning Policy Framework. The Victorian Government is currently developing a response to the Victorian Competition and Efficiency Commission's Inquiry into Streamlining Local Government Regulation. As part of this response, the Victorian Government is considering the roles of the state and local governments in planning and regulation, including in the areas of food safety and public health.
Recommendation 12 That the Victorian Government assist local governments to implement the single registration system for vendors selling at farmers' markets.	Supported As noted in the Inquiry, recent amendments to the <i>Food Act 1984</i> establish a single registration system for mobile and temporary food vendors. Councils are currently participating in the registration system on a voluntary basis, although this will become mandatory on 1 July 2011. The Victorian Government has provided extensive training and support to local governments to facilitate smooth transition to the new registration system.