

# TRANSCRIPT

## LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE

### **Inquiry into Tackling Climate Change in Victorian Communities**

Melbourne—Thursday, 5 December 2019

#### **MEMBERS**

Mr Darren Cheeseman—Chair

Mr David Morris—Deputy Chair

Mr Will Fowles

Ms Danielle Green

Mr Paul Hamer

Mr Tim McCurdy

Mr Tim Smith

**WITNESSES**

Mr Rod Duncan, Board Member, and

Mr John Burne, Infrastructure Manager and Board Member, CERES.

**The CHAIR:** I just want to run through some important formalities before we begin. All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. This means that you can state freely without fear of legal action in relation to the evidence you give today. However, it is important to remember that parliamentary privilege does not apply to comments made outside the hearing even if you are restating what you have said during the hearing. You will receive a draft transcript of the evidence in the next week or so for you to check and approve. Corrected transcripts are published on the Committee's website and may be quoted from in our final report. Thank you for making the time to meet with the Committee today. Can each of you please state your name and titles before beginning your presentation.

**Mr DUNCAN:** Yes, thank you. My name is Rod Duncan. I am a Board Member of CERES Incorporated. I will talk a little about that shortly.

**Mr BURNE:** My name is John Burne, Infrastructure Manager at CERES and also the staff representative on the board.

**The CHAIR:** Okay; fantastic. We are running terribly behind time. We have all had the opportunity to read your submission, but please go through your presentation. Just keep it short, sharp and snappy. That would be very helpful.

**Mr DUNCAN:** Thank you. Yes. We were not planning to read the transcript of our submission to you. There is a lengthy submission there that has been put together with a lot of detail in it. What we would like to do is highlight a few of the key details, the key points out of that, and also make a couple of suggestions about recommendations you may consider for your report.

**Visual presentation.**

**The CHAIR:** Fantastic. Thank you.

**Mr DUNCAN:** I have got some collateral here which I can put on the table and you can pass around.

**The CHAIR:** Provide it to the secretariat.

**Mr DUNCAN:** Okay. There are various things there about CERES and some of its operations, including some annual reports. I will wave this in front of you but we are not giving you this one, because it is going to go back on the 'For sale' shelf. That is the book that CERES published a year or so back in conjunction with the ABC, so it has been promoted on the ABC.

**Ms GREEN:** Yes; seen it.

**Mr DUNCAN:** We are not generally into publication of that magnitude, but our urban gardening program has been very popular with a lot of people and that has been converted—basically that is a transcript of that—into a book form.

Some of you may know CERES has existed for nearly 40 years now. It was started off as a rubbish tip in an old quarry in East Brunswick. It was a freeway reservation at one stage, and in the absence of anything but weeds on it some community people started getting involved with community gardens and that sort of thing. That has evolved and emerged into something which is now a cherished oasis in inner Melbourne, where things are rapidly changing—the trees are less common than they used to be et cetera.

CERES has also become over that time a nationally and globally recognised leader in environmental education and innovation across a spectrum of activities. Apart from education, we are doing practical demonstrations on how to live more harmoniously with the earth. We are seeing, particularly this year I think, there has been a real

surge in community appetite for quality information, for guidance, for ideas, for ‘What can I be doing as an individual?’ or ‘What can I be doing as part of a community?’ There is an absolute yearning of people looking for actions that they can take, and I think that really ties in with the questions that you have addressed to us in your Inquiry.

There are a whole lot of dot points there which I am not going to go through, but with the breadth of things and the shift to some extent—CERES is the first place in Victoria where most people ever saw a solar panel. Thirty per cent of Victorians have now got a solar power station on their roof, so we have moved ground. There was a lot of stuff for water conservation during the drought. Ironically electric vehicles—one of the early things that we were involved with were some really dinky-looking electric experimental vehicles. We made a commitment to start rolling out an electric vehicle van delivery fleet for our Fair Food operation, which takes 1000 food boxes per week to households across a fair bit of Melbourne actually and supports hundreds of organic farmers and producers that we are tied in with.

More recently, quite an innovative thing: Fair Wood. What is Fair Wood? There is a lot of agroforestry going on in rural areas. There is not a clear and ethically traceable chain for those to be delivered to people, so that has been set up where we are actually helping both ends of the spectrum—people that want to get ethical wood at one end and people who have got a supply. It is not their primary operation generally, it is a woodlot, shell developers et cetera, but that wood supply. So that has become a space in the middle that we have taken over to get that thing. CERES has now expanded—

**The CHAIR:** Sorry, that is an interesting point. Will that be some form of a certification process where a farmer grows or chooses to grow wood for timber or for whatever purpose and they get certified that it is of a certain standard and therefore the consumer knows that that lot is certified and they can be comfortable that it is done as environmentally sustainably as possible?

**Mr DUNCAN:** Great question, for which I spent a fair bit of time trying to think, ‘How do I not use the word “certified”?’ because we do not have that in place because it is quite an onerous and costly exercise. But I think with an organisation like us there is a trust factor.

**The CHAIR:** Because it does not have to be Australian standards, you could just do your own thing and trade on your reputation.

**Mr DUNCAN:** The paperwork in that—and all the food we handle is organically grown food and that is certified by others, and there are mechanisms. That puts a price premium there, largely because of the paperwork. It is the paperwork rather than the lack of chemicals that pushes up the price. So there is a hesitance to do that but I think the goodwill is there, we have got a trust factor et cetera, and it is really experimental. We have just started this in the last 12 months as we got some warehouse space that was available.

That is part of our East Brunswick site, which is not the only site CERES has got now but it is the one that most people know and love, and it extends down to the edge of the Merri Creek. People come there and say, ‘Isn’t it great that you kept the bush’; well, there was not any there when we started. The first trees were planted in the 1980s, as they were up the Merri Creek. You can see the solar production that is going on on that roof, and we have a warehouse for our Fair Food operation over in Preston which has got far more than that, and that is what is going to be powering the electric delivery vans with. So it is getting to a scale which was ridiculed in the lead-up to the federal election about the utilities and electric vehicles being solar powered. With our own electricity we believe while we are paying twice as much for a vehicle the operating costs will be more than recovered within a reasonably short time.

This is a view from the roof. This is a house that was moved onto the site back in the early days, and it has gone through, I think, three iterations of ‘This is the sort of equipment, techniques and tricks you could use to make your house more solar efficient to improve your thing’. Some of it is homegrown stuff, like putting in de facto double glazing using plastic et cetera. But this is a typical East Brunswick Californian bungalow that most people have got, and they can walk in there and they can talk to somebody about how they can make their house more efficient without great expense. But there is also some real leading-edge technology. There is—tell me the words, John.

**Mr BURNE:** Geothermal heating and cooling.

**Mr DUNCAN:** The constant temperature of the ground below us can be used to help with both heating and cooling if you know the physics, and I am not going to try and explain that.

The number of people is quite outstanding that we impact. We believe we are making about 1.3 million contacts a year. About half a million of those are physically on that site—people coming to that CERES park—and many of them are through online stuff. In researching for this I have realised the impact that we have beyond that site. We have an outreach program called ResourceSmart, which we work with the Department of Education and Training on, and across all the education department regions in the state their programs run in schools. Our staff are training teachers or doing direct work, and we have got—the number is in front of me here—something like, how many kids? It is lots.

**Mr BURNE:** Ten thousand a week.

**Mr DUNCAN:** That is onsite, but within schools we are talking about tens of thousands of people. The schools across Victoria that are in that program have saved over \$3 million through reduced environmental impact, so they are not only reducing the impact but saving money. Whilst we do get some grant funds from government agencies, in this case we are saving the government money, and that includes 88 million litres of water and 8500 tons of greenhouse gas emissions that are reduced from that school program alone.

CERES is, as I said, on multiple sites. We have got over 100 full-time equivalent employees—there are a lot more people than that—and thousands of volunteers. So it is a big operation—a lot more than people see on the surface. Most people are familiar with two or three of these social enterprises. Costa from *Gardening Australia* and other places appears on some of our promotional stuff. People see various aspects of it, but until I got involved in the board there was probably two-thirds of what CERES is doing that I was unaware of, even though I thought I knew the place well. So it is a very broad spectrum. And as I pointed out, 95 per cent of our funding actually comes from our own social enterprises. We have got some government contracts, but we are working for those. In terms of grants from both government and philanthropy they are quite low. We are effectively self-funding, and there are questions about whether we should be et cetera.

One of our big strengths is education and training. There is the number I was looking for: the outreach staff and students, 211 000 people per year we are involved with through the programs we are running with the education department. CERES is frequently referred to in both national and international literature about innovative operations et cetera. So we are an established, respected leader in environmental education and awareness. Our Director of Learning Innovation, one of our key senior staff members, has just been awarded by her peers nationally Environmental Educator of the Year this year. There were some Environment Victoria Banksia awards—there is a row of them on the mantelpiece. So we have got that. But we have a plan to extend the scope of that both for children and for training trainers and running direct programs. We have got a training program where we have got dozens of courses. That is the calendar for this year. It is almost over, but that is the number of courses that are run at CERES by people paying for the course in specific areas, particularly food plants, ecology et cetera.

The School of Nature and Climate is a new package that we have just announced, which is taking those education and training programs across that spectrum from preschoolers to retirees and packaging them under one umbrella, which allows us to see where the gaps are and where the opportunities are. We also believe it is something that, apart from broadening, we could scale up. But we do have physical constraints on really the backup staff that can do that. We need more office space. We do not have capital reserves. So that is an area that we are looking to get assistance for, both through philanthropy and through the public sector. That is the scale of what is happening now. As I said, that is an annual figure of nearly 300 000 people across the state that are impacted. That is the new concept that I am not going to explain, but there is a robust educational set of principles that pull that whole thing together and make sense and, as I said, start to identify that we might have some gaps and opportunities in there. So that is what we are looking at.

There are a couple of points here that I am going to raise—and we did not do this in our initial submission, but I will leave a copy of the PowerPoint with you—directly for you people. You are going to have to write a report. What could we suggest that you might consider having in that report? We have put two points here and another

one on the next page, which follows up from that: encouraging Parliament and the Government to support local community initiatives that raise awareness and demonstrate pathways available for both moderating and adapting to climate change impacts and related ecological challenges through a program, or programs, that are designed to assist and expand existing local initiatives and to encourage establishment of new bottom-up initiatives. I think I heard something similar from the previous submitter on that. There are a couple of things in there. It is both dealing with moderating future climate change and adapting to the stuff we are going to get anyway, so it is both sides of that. It is also people responding individually and as part of a community, so it is communal and group.

**The CHAIR:** Can I just ask, and sorry to interrupt: your centre is located where it is at the moment, and that services a reasonably large part of Melbourne.

**Mr DUNCAN:** We would say it services Victoria, but go on.

**The CHAIR:** What I was going to ask is: is what you do scalable? Could the Government help potentially support a network of similar things, maybe under your leadership, in areas like Geelong, Ballarat, Bendigo, Shepparton, Morwell, so that regional Victoria has the opportunity—

**Ms GREEN:** Don't forget the outer suburbs, Cheese.

**The CHAIR:** Maybe so. Just so that there is a network, so that there is that opportunity for more of Victoria. I am not saying a rival; I am saying potentially a part of a network of these things.

**Mr DUNCAN:** Exactly. That is part of our message. We believe we can scale up, but my next line was: CERES is not going to be able to do everything. We can put drops in the pond that have ripple effects, but it is really a matter of inspiring and encouraging others, and the others will probably look different because they are going to be responding to different priorities, different communities, different places in time as it emerges. Some of the stuff that happened at CERES happened with working bees which you could not do without WorkCover coming down and being involved. The sorts of ways things used to happen in those early days will not be happening again, and for good reason, but it means that what CERES is is not going to be what you get somewhere else. We have had approaches from quite a lot of places across metropolitan Melbourne and across regional areas. We have actually been running some courses in Geelong. I am an old Geelong resident. I was on the other side of the river to you.

**The CHAIR:** I won't hold that against you.

**Mr DUNCAN:** Ian Trezise's patch. But yes is the answer, I think, if we get a program going where it is not imposing a top-down model, it is saying, 'There are various ways this can come up. You've got to have a credible thing. You've got to have some hope of survival and effect, impact'.

**The CHAIR:** One part of Victoria might be inspired by permaculture; another area might be inspired by sustainable dwellings, and so the focus might be—

**Mr DUNCAN:** Yes. It is usually a few passionate people and they will have their particular interests, and as I said, CERES has moved through phases from the techo, alternative energy, innovative stuff—solar panels and wind turbines and stuff like that—through water, food et cetera, and social enterprises almost accidentally. We are actually the State Government lead contractor for the rollout of Social Enterprise Network Victoria because we are a known and experienced player in that field. So we are there helping others—exactly that, helping others—get social enterprises up and running statewide. So, yes, that is what we would love to see, but we are not going to be solving the scale of this problem on our own. As I said, they may look quite different but they have got a similar purpose and similar principles.

**The CHAIR:** It seems to me the beauty of your enterprise is that government does not direct what you do; you set your own directions. You chase money from various quarters that—

**Mr DUNCAN:** They are usually customers actually.

**The CHAIR:** Usually customers, which is good. You are not captured by government or departments.

**Mr DUNCAN:** Dependent—I would not say ‘captured’. I have worked with State Government. Programs get to the point where you are saying, ‘We’re just feeding something that’s not quite getting over the line; is that better used in something where there can be a pump priming role?’. And then it is off and running—it becomes self-sustaining.

The next point really is picking up on that and saying there is something we are doing really well but we would like to do better and bigger, and that is this School of Nature and Climate, as we are calling it. Someone said, ‘Is that a new idea?’. We said, ‘Well, we’ve been doing it for 30 years’. The feet are under the table; we know what we are doing here. We are the experts. We believe that there is an opportunity there for that to be grown, but also that is the sort of thing of which you can then say, ‘Here’s a model’. I am suggesting in this that it could be a pilot demonstration for the diffusion of knowledge and ideas that are dealing with the climate change challenges that we are facing and related things like species extinction and so on. We have got some very specific capacity constraints, which are really to do with capital work for back-of-house offices. It is not the sexy stuff, but we cannot do the volume of the work if we do not have a place to put our staff in a reasonable working environment.

There was one program which I was not familiar with but that others who put the submission together picked up on. In 2017 there was a Victorian Climate Change Innovation Partnerships Grant Scheme, and that apparently had a couple of hundred applications, but there was only funding sufficient for 24 projects. I am unfamiliar with it, as I said, but I assume from the way it is written in our submission that that has lapsed as a program and not continued. But it would seem that whatever the reasons for that were there is clearly a healthy appetite. There are 200 submissions for projects; there is clearly a healthy appetite for community action in partnership with the State that is in there.

The summary points of our submission are listed there, but I am not going to go through them unless you have got questions. I have pulled a few out that jump out. Green technology—that space for innovative, energy-efficient solutions—is different to the stuff we first started with, but it is still an emerging thing. As I said, we are going to be the ones on the streets with electric delivery vans before other people do it. We will probably get some bruises. There might be some hitches that we have to wear the cost of et cetera, but if someone is not doing the experimental stuff then we do not progress to the next, and it will be mainstream in no time. There is the School of Nature and Climate, obviously, and again our education programs—these are the actions that CERES has been working on. Education programs and green technology keep coming up as the most relevant of all the things we do to what your questions are. So that is why we have stressed them there, I guess.

How can government support communities? Again, I think we have covered that with what we said before. Interstate and overseas best practice—that was an interesting question. We had to push aside, force down, our modesty. We are quoted nationally and globally. One of our board members got up at a conference somewhere—I think it was in the States—and asked a question and introduced herself as being from CERES. Al Gore said, ‘That’s that place in Melbourne, isn’t it?’. There is a recognition factor out there. As I have said, we are self-funded largely. So we would love to see you all sometime. Just call or drop in or buy some eggs—pat some chooks. I am happy to answer any questions.

**The CHAIR:** There might be an opportunity to take you up on a visit at some point.

**Mr DUNCAN:** We would love to.

**Ms GREEN:** Just a historical question: my recollection is that you established on the old landfill site. Was there some funding that came from the old Brunswick municipal electricity—

**Mr DUNCAN:** No, that was MEFL, who were right next door—Moreland Energy Foundation Ltd. It goes back to Mike Hill; I was a neighbour of Mike’s for some time. This is part of Brunswick mythology. Because Brunswick had its own electricity service—

**Ms GREEN:** As did Northcote.

**Mr DUNCAN:** as did Coburg and a few others, and when that was being sold off so that it could be privatised, Mike Hill said the value of that land—of that site that we are selling, which was the headquarters—shall be—

**Ms GREEN:** He was then the mayor or—

**Mr DUNCAN:** He was then the mayor of Brunswick—quarantined for the establishment of an energy efficiency thing, and that has become what was Moreland Energy Foundation Ltd, which is now Australian Energy Foundation because they have got contracts all over the country. Occasionally we have been talking to them about can we share space, potentially, and we thought there could be a wonderful little loop there. The Alternative Technology Association, the national organisation, started off in the thing that looks like an old stone barn at CERES. They outgrew that thoroughly and they have got premises with the Ross Trust somewhere in the city and have grown. We have got friends and family all over the place.

**Mr FOWLES:** I had no idea you were dealing with that quantum of visitation—10 000 people a week. Is that right?

**Mr BURNE:** There are 1000 schools.

**Mr FOWLES:** Yes, 1000 people a week.

**Mr BURNE:** Yes, schoolchildren.

**Mr FOWLES:** Sorry, 1000 schoolchildren. But even those numbers are sort of staggering. How do you go about managing that? You obviously then get an opportunity to get feedback from a very large pool. What are the things that people engage with most?

**Mr DUNCAN:** Largely it is the fact that it is an open space that is a relaxing environment. It is the oasis. People go there to chill out, basically, and we have got some good coffee and some food—

**The CHAIR:** Organic, no doubt.

**Mr DUNCAN:** And chooks for the kids to look at. There is a pram jam down there every morning at 10 o'clock. I have just done the maths in my head. It is 10 000 people a week we have got coming in the gate as visitors. Now that is a public park—

**Ms GREEN:** Plus the school incursions.

**Mr FOWLES:** They are big numbers.

**Mr DUNCAN:** The school groups are about 60 000 to 80 000 a year, so a group of buses turn up at 10 o'clock every morning and leave about 2 to get back to school. That is every school day of the year that is happening. They are the life—you see them going around. But we have got tertiary students who wander in as group things, and sometimes we do not even know who they are or what they are doing. Would you believe international tourist groups get off, and I think it might be that the tour operator knows that there is a place that does not cost them anything that they can take people to. But we are happy to share it, so we are in fact running and subsidising a very popular—

**Ms GREEN:** Singaporeans love farm tourism because most of them have never pulled a piece of fruit off a tree.

**Mr DUNCAN:** In inner Melbourne there are kids that grew up here that probably have not had that experience, and this is the one place they can go and they can look at the cabbages growing and the chooks are clucking around. We have got a nursery—a wholefood and native plant nursery—which is very popular. It is a very strong part of our social enterprise stream. That is helping people go off and plant their home garden et cetera, and the advice is there to back that up.

**Mr FOWLES:** To the second part of my question, what do you find are the things that people really engage with? There is obviously a big spectrum of activity here, but is the real hook the nursery or the education programs or because people want to plug in their car?

**Mr DUNCAN:** Whenever anything changes there, we start to hear about what we are doing wrong. We moved the cafe from one place that probably had not met health things for some time to a new facility and—

**The CHAIR:** They told you to move it back.

**Mr DUNCAN:** This was seven years ago, and there are still people saying, ‘I can’t get a coffee next to the playground, and I need one’. Well, it is 50 metres away. So it is a breadth of things. It depends on the demographic, on the group, but I think one of the joys and why we have got that many people is that it really fills a lot of those niches, so kids are very—we got a grant recently through pitch a project.

**Ms GREEN:** Pick My Project?

**Mr DUNCAN:** Pick My Project, yes, sorry. We also got some, I think, from a pitch a project elsewhere, but anyway. I will not use the term ‘adventure playground’ because it is more than that, but it is really taking a kid’s perspective on what the bugs in the soil might be doing if you scaled them up. There are some exciting things that are planned.

**Ms GREEN:** I want to go and play there.

**Mr DUNCAN:** It is not done yet, but the fine-tune design—and a lot of it is to do with finding the bit of pipe the right diameter or the lump of old earthmoving equipment or something. So it is macro-scale miniature stuff, and that is the theme of this playground. That is going to be for a certain age group. It is probably the fives to 10s or something, and the teenagers are not going to want to know about it, but there are other things that they can be doing. I am not dodging your question, but there really is a spectrum of reasons people are there. There are people doing courses in some of our spaces while other people are there just having recreation, and they are probably not aware of each other.

**The CHAIR:** Just thinking about what you do and how you go about doing it, obviously we have got very large public housing estates scattered throughout Melbourne that often have reasonably large footprints of open space that sit under and around them that are pretty underutilised; they are not particularly inspiring spaces. That makes me wonder, with the sorts of things you have done with your site, whether some of these public housing estates’ public open grounds could be regenerated into the sorts of things that you are doing, providing a very different environment for those public housing estates which would be far more inspiring and interesting than, effectively, usually a little playground or something and not much else.

**Mr MORRIS:** Like a bit of lawn.

**The CHAIR:** Yes, which is very underutilised.

**Mr DUNCAN:** There is an organisation—do you remember their name, John?—that does precisely that. They were in some quandary a year or two back about their governance and future, and they actually talked to us about possibly merging, and in the end they have rebuilt their thing and they are off doing that job. That was quite specialised, so quite especially focused on that.

**Mr BURNE:** It was promoting community garden plots and things.

**Mr DUNCAN:** In public housing estates.

**The CHAIR:** Yes, all of that sort of stuff.

**Mr DUNCAN:** So we touched on it and had discussion about possibly merging with that group and it becoming part of us; that did not happen. I think it is great that that group has just sort of got its strength back and gone on to things. I have not followed it since then, but there is a group that is doing that. So, yes, it is clearly an opportunity space there.

**The CHAIR:** Any more questions? One more?

**Ms GREEN:** Just to say thanks for the partnership you did with two of my local schools, Mernda Central College and Mernda Park Primary. They were both public-private partnership schools.

**Mr DUNCAN:** Sorry, I never even mentioned that we have got that. It is a consultancy effectively.

**Ms GREEN:** Yes. But that was part of the consortia along with the YMCA, so having a sport, community, performance angle and youth group angle, plus having the environmental stuff, especially given one of the schools has got a scar tree in the centre of it and the other one is on the banks of the Plenty River. So it has just been a really nice linkage for those kids and those communities from the get-go, from when the schools were built.

**Mr DUNCAN:** That is an operation, as I said, that is effectively a consultancy. I sort of found someone in the back office and said, 'What do you do?', and there is this whole world that I had not been aware of, just beavering away, doing that stuff. With the public-private partnerships they become part of those partnerships, so CERES is a minor partner. We are not building the schools, but we are helping to design and incorporate those programs and the physical spaces that can facilitate environmental awareness and efficiencies.

**The CHAIR:** If I could ask this last question from me: how much goes through your bank account?

**Mr DUNCAN:** Sixteen million a year is our turnover at the moment.

**The CHAIR:** Has there been relatively steady income growth over the 40 years of your existence?

**Mr DUNCAN:** I can only talk probably about the last five that I have been directly involved with. We had a million or a million and a half per year for the budget, so that is the growth trajectory we are on. I think that is partly through the food boxes, which is massive. They are doing \$100 000 a week—it is on the transcript—of turnover in delivering organic food to people, but also the educational side. As I said, we are now hitting capacity constraints. We feel we are hitting a ceiling on that. That is where we are looking for some help to get some capital to basically acquire some more office space, which is, as I said, not the sexy stuff, but it helps that happen; it is essential to have it happen. So that is part of the School of Nature and Climate that we put together.

**The CHAIR:** Thank you. I think we have all finished. Thank you so much for your presentation.

**Mr DUNCAN:** Thank you. I appreciate your being here. I will leave these with—

**The CHAIR:** With the secretariat just behind you.

**Ms GREEN:** Thanks for the suggested recommendations as well.

**Mr DUNCAN:** I thought you might want these for drafting.

**Ms GREEN:** 'Here's one I prepared earlier'. I like that.

**Mr DUNCAN:** I worked for the state public sector for a long time. I know your colleagues well.

**The CHAIR:** Very good. Thank you for your time.

**Witnesses withdrew.**