

## LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

## STANDING COMMITTEE ON CLIMATE CHANGE, ENVIRONMENT AND WATER

(Reference: Inquiry into the ecological carrying capacity of the ACT and region)

#### **Members:**

MS M HUNTER (The Chair)
MR J HARGREAVES (The Deputy Chair)
MR Z SESELJA

TRANSCRIPT OF EVIDENCE

**CANBERRA** 

WEDNESDAY, 20 APRIL 2011

Secretary to the committee: Ms V Strkalj (Ph: 6205 0435)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

## **WITNESSES**

<ul> <li>BADELOW, MR CLIVE, Director, Capital Region Farmers Market</li> <li>BURROWS, MS SARAH, Senior Manager, Office of the Commissioner for Sustainability and the Environment</li> <li>DONNELLY, MR LEE, General Manager, Fyshwick Fresh Food Markets</li> <li>GIUGNI, MR GIUSEPPE (JOE), Director, Fyshwick Fresh Food Markets</li> </ul>	45
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WATSON, MR BILL, Deputy Director, Capital Region Farmers Market	45

#### Privilege statement

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Amended 21 January 2009

### The committee met at 2 pm.

**BADELOW, MR CLIVE**, Director, Capital Region Farmers Market **WATSON, MR BILL**, Deputy Director, Capital Region Farmers Market

**THE CHAIR**: Welcome to the hearing of the climate change, environment and water standing committee and our inquiry into the ecological carrying capacity of the ACT and surrounding region. Welcome to our witnesses this afternoon, Mr Badelow and Mr Watson. I need to first go through the privilege statement. There is a buff card near you. If you could please read and confirm that you understand the privilege statement.

Mr Watson: That is fine.

**Mr Badelow**: Okay.

**THE CHAIR**: Thank you. Would you like to start with an opening statement?

Mr Badelow: Thank you. With me I have my deputy director, Bill Watson, who will assume my appointment in the middle of next year. It is standard Rotary rotational practice. As far as an opening statement is concerned, having read this inquiry's terms of reference, I would like to state at the outset that I have no particular expertise in ecology nor environmental sustainability. While my compatriot Bill has some previous experience, but mainly in high order sustainability issues, our purpose in presenting to you today is twofold: firstly, to represent the interests of our 178 registered stallholders that we have at our market, 80 per cent of whom are mainly fresh food producers and growers from the ACT as well as the local New South Wales region, and secondly, and probably importantly, to help shape the balanced consideration by your committee of some of the socioeconomic factors that also need to be considered when reporting on the ecological carrying capacity of the ACT and the local region.

With your indulgence, I would like to give you perhaps a little bit of background to our past, because where we have come from will give you some idea on where we are at but, more importantly, where we will go to in future. By way of background, the Capital Region Farmers Market is a seven-year-old, Hall Rotary Club community-supported initiative started in March 2004. As a community service organisation, the Hall Rotary Club is a rule-based club. It manages our market through a market management committee, of which I am the director and Bill is my deputy, who voluntarily offer their time, experience and expertise in developing and managing the market.

From a regional dependency perspective, apart from the ACT, our local New South Wales region covers—bear with me—Bega Valley, Bombala, Boorowa, Cooma-Monaro, Eurobodalla, Goulburn Mulwaree, Harden, Palerang, Queanbeyan, Snowy River, Tumut, Upper Lachlan, Yass Valley and Young, although we do have—and I will explain later—stallholders that are drawn from areas outside that primary region, but that primary region is very important to us. That region is important because we actually give preference at our market to stallholders from the ACT and local region

over their out-of-area peers because it is into these areas that we plough back most of our profits to meet existing community needs.

From a starting base of 12 stallholders in 2004, our market has grown quickly as we have tapped into the ACT community's demand for fresh food and for quality produce direct from the grower and producer. Our market only comprises authentic food products; other paddy's market type stalls are not permitted.

A recent customer survey—and I have that if you would like it; it is available on request—reveals that the price is not a primary concern of our customers so long as our market prices remain competitive, and that is when they are adjusted for weight against other ACT based fruit and vegetable outlets that are there.

Why do we do this? Firstly, Hall Rotary Club ploughs back most of its funds that it generates from attending market stallholders; that is, the market stallholders pay us a site fee each week. That is how we generate our income. We do not take a percentage of their take. We just charge a standard \$65 a week for a stall site and we plough that money back into needy local ACT and regional communities via Rotary's nationwide club infrastructure. To date we have returned in excess of half a million dollars.

Secondly, we believe that we are good for the economy. Using a model highlighted in the recent Victorian state government review of farmers markets—I think we saw that one promulgated in about May of last year—we believe our market to be notionally worth somewhere in the order of \$20 million a year to the local ACT and regional New South Wales economies.

At present we have, as I stated, 178 stallholders, some of whom are seasonal; they do not all turn up every week. We have an average per week of just under 100 attending stallholders. We are nearing maximum capacity at our site. With only limited room for expansion that will become an important issue for our future. We draw an average attendance, we believe, of between 8,000 and 10,000 people per week, and on a peak market—we have an annual ABC outside broadcast which we try to coincide with the cherry festival and run it down here—we thought we pulled a football crowd of 15,000. That was quite exceptional. We are now, if not the, I would suggest, one of the biggest farmers markets in Australia, and I would measure that on the basis of our attendance measured over a year. I say that because most other farmers markets are monthly and ours is weekly.

Our greatest challenge is to meet the fresh and quality produce and product needs of our customers by ensuring as best we can that all the produce and products sold at our market meet all your requirements—that is the ACT legislative and regulatory requirements that are there—as well as being genuinely, which is important, sourced or produced by attendant growers and producers. We like to say and we market ourselves as: authenticity is our brand.

We have established our own governance regime of cyclic stallholder inspections, including their authorised agents. The primary focus of our inspections is on our market's core business. Our core business is fruit and veg. We sell other meats and products—they are complementary, they are important—but our primary aim is as a fruit and veg market. That is our core business. We try to inspect these growers

annually to validate their bona fides such as seasonal growing capacities and matching planting regimes on their properties. It is not a perfect science, but it keeps our growers on their mettle because we have a record of terminating cheats where that can be proven. All other grower/producer agents are inspected on a triennial or opportunity basis—such silly things as I follow the Australian Open tennis and I will do some interstate ones on my drive back; an opportunity as I track up the highway.

We believe our success to be dependent upon a couple of key factors, some of which have been substantiated at that recent Victorian government inquiry. The first one is being a weekly market keeps our brand right in front of our public with an ability to meet their fresh and quality produce demands. By doing that weekly it reduces any potential wastage; it does not remove it but just reduces it. We enjoy terrific market facilities produced by our landlord, EPIC, that also include a huge, free car park adjacent to our market to easily accommodate all our customers.

We enjoy harmonious working relationships with both our EPIC landlord and the ACT government in terms of their understanding that it is in everyone's interest that the market continues to be successful, not only because we plough our not inconsiderable profits back into the community and the region but because of the substantial contribution we make to the economy in our region. We are secure in our operation, having recently renegotiated a lease with EPIC out to 2019. Our weekly Saturday morning market has now become embedded in the routine of both our customers and our stallholders, and it has now become a weekly shopping and social event. More recently, we have been recognised as an ACT tourist attraction.

For the future, we are not looking to grow any bigger, due to the existing physical market constraints that we have; rather, we are looking to do those things that we are doing now more efficiently and more effectively while maintaining our authentic brand name. We have moved from 12 stallholders to 178 in a short period of time. We now have to go back and pick up some of the administrative processes that are there, because we are still a part-time organisation. We need to manage our own administration and governance. So we are catching that up.

We have recently appointed, for the first time, a full-time market manager. That was one of the prerequisites, interestingly, identified in the Victorian government report. Again, like our Victorian counterparts, we sense that our public's enthusiasm for a market is partly fuelled by a desire to know where their food comes from and how it is produced. There is a public perception that locally produced food is more sustainable and has less of an environmental impact, as well as being fresher and of higher quality, thereby reducing waste. We believe this to be a self-evident truth because providing a direct link to local and regional food growers offers our customers an authentic retail experience by cutting out the middle man. This shortens the supply chain and reduces the need for processing, distribution and transportation—the logistics that are linked with that.

While we already have a small and viable group of 14 certified organic growers, we also have three chemical-free growers and producers at our market. You can work out that the percentage is just under 10 per cent—about eight per cent—of the 178 we have got registered. Of those, a significant proportion attend every week. So a proportion of 100 is not bad; it is getting closer to 10 per cent.

Being in a cool weather growing region, food security and the ability where possible to become self-sufficient present us with a challenge. Nonetheless, many of our stallholders have taken up this challenge with innovative enterprise and are being rewarded for their efforts by being able to sell their products directly to their customers in viable farm gate quantities at our market. When you think about it, there are no other markets of a comparable size between Sydney and Melbourne, on a regular weekly basis. There are other farmers markets. To give an example, I think Victoria has 98, but I do not think there is anything of an equivalent size.

Many of our customers are environmentally aware. To meet some of their concerns, we are exploring a couple of environmental initiatives. They include replacing the use of all plastic bags at our market with paper and/or biodegradable substitutes. We are exploring a project which you may be aware of called Zero Waste Australia. That is a city to soil waste recycling initiative to strip out half of what we currently put into landfill and to convert it into compost for putting back into the soil. Our role in this might be—we are still exploring it—to provide a weekly collection point for recyclable waste brought to our market by customers before being taken away at the end of the market for centralised processing.

I would like to leave you with seven points. Without our stallholders, clearly we do not have a market. Maintaining a weekly link directly between our customers and our food growers is vitally important to the wellbeing of the market. The ACT's food growing capacity relative to population appears to be very limited. I do not think there is anything surprising there. Offering farm-fresh quality produce reduces product shelf life, and that helps to reduce waste. Encouraging innovative produce-growing enterprise among growers and producers will help to enhance food security and sustainability concerns. Outside Sydney and Melbourne our farmers market provides the biggest single farm gate outlet for New South Wales regional growers. The last message we would like to leave you with is that we strongly encourage the ACT government to ensure that possible legislative and policy settings facilitate the continued development of our market.

**THE CHAIR**: Thank you. I want to start with a question about size. You pointed out that the farmers market at EPIC has been going for seven years. You started with 12 stallholders. You are now up to 178 stallholders. You do not want to get any bigger because obviously there are restrictions around the size of the building that you are operating out of. Do you have plans to open up other markets across the ACT? Are you seeing a demand for farmers markets? Do people want to see others start? There is one at Woden. Beyond that, are you looking to expand further?

**Mr Badelow**: From the perspective of the Hall Rotary Club, no. This is a semi full-time job that we have. It is challenging. It is really interesting. It is inspiring. But it is demanding. No, we have no intention of broadening the base that is there.

The market at Woden is a commercial enterprise in its own right, the south-side market. It complements us. We work closely together. I would like to suggest that in some ways, because we were established before they were, we are a little ahead of the game in terms of governance regimes. We are more than happy, where we can, for them to leverage off us. If we go off and do some inspections, we are happy to share

the outcome of those inspections with them, both good and bad. Yes, it is a broad thing.

Is there a broader demand in the ACT? Clearly there is a demand. We recognised that demand when we started. I have to say we did not recognise the depth, the size or the speed at which it would accelerate. We have had to accelerate to meet that.

**THE CHAIR**: You were talking about customers putting up that idea of cutting down on food miles and having something from the region that they saw was sustainable, rational and those sorts of things. What other trends and changes have you seen as far as what people want concerning fresh food? You talked about regional fresh food. What about organic fruit and veg? What sorts of trends are you seeing?

**Mr Watson**: We have only just started to collect information from our customer surveys and that sort of thing to actually to get some data that would underpin and answer a question of that kind. A fairly superficial summary of things is that our customer group are a very discerning group. Their major issue is being able to discuss with the producer the produce they are purchasing. Our stallholders do not get a nose in unless they are prepared to stand there and talk to the customer about their produce. One of the primary things that we are facilitating is an opportunity for that to happen.

Over the life of the market we have changed the rules on how we operate to make sure that does continue to happen. For example, we insist that the producer actually attend the market on a significant number of days through the year when they have stalls. We want that producer behind the stall, answering the questions.

MR HARGREAVES: One of the issues around sustainability of the region is, of course, land health. You made the point that you have had a growth in the number of producers or suppliers. I am interested to know how you can test that when people claim to have their produce organically provided. I know you can test whether or not people are adding chemicals by way of fertilisers and stuff like that. I think that would be pretty easy. But what about those producers in the region whose produce is from land where the use of the chemicals was embedded? It has a very long residual life in the soil. Do you check that? Does it have an impact on your telling people that this is organic?

**Mr Watson**: That is a good question. I am responsible for the farm inspection program's authenticity. From a duty of care point of view, one of the things we require is that if they are not certified officially as organic farmers—

**MR HARGREAVES**: Excuse me. Stop there. Who certifies this?

**Mr Watson**: NASAA or the organic producer associations—there are two or three key agencies—or by the biodynamic certification process. Unless they are specifically certified by those associations, we do not let them put on their produce at our market that they are organically grown or whatever. The truth in labelling on that site is very clear.

Let me answer your question more specifically. If they are certified under those existing systems, they do take account of previous land use, residual chemicals and all

those sorts of things in the soil. In answer to your question whether we then, for the rest of our producers, do soil tests and check on history of soil use, no, we do not. But we do insist that they have a Chemsearch certificate, which is doing a hell of a lot more than the average farmer is required to do in general. We check on that on an annual basis. People attending our markets, we know, have at least gone through the Chemsearch training program.

In most cases, I would say over 60 per cent of our producers are far more environmentally-friendly producers in a general sense. They would use integrated pest management rather than just shoot it with a chemical, as a very general concept, more than your average farmer would. They are aware. They are pinned down by our customers. They would love to put "organically grown" or something on it and get away with it if we would let them, but that is not truth in labelling as far as we are concerned.

**MR HARGREAVES**: You said that you have got an average of 100 stallholders each week. That is pretty cool. You mentioned that 80 per cent of them come from the ACT and the region. I presume 20 per cent come from Gulargambone and other areas out there.

Mr Badelow: As far north as Coffs Harbour and as far west as Renmark, South Australia.

**MR HARGREAVES**: Over the horizon anyway.

Mr Badelow: Yes, Mexicans!

**Mr Watson**: As an example of that, 95 per cent of them would be from those local government districts that we put in the list, and it is only about three, four or five per cent that would be outside that. For example, with our banana producer, as to why he does it, you will have to ask him. He drives down from Coffs Harbour every week and he sells bananas at our market.

**MR HARGREAVES**: Given that you are quite clearly putting yourselves in the position of being the consumers' guardian for this, for which we thank you, do you find that there is a jurisdictional difference between what happens in the growing of the produce in New South Wales and then the consuming of it or selling of it in the ACT? What are those differences and should we be doing something about them?

Mr Watson: Yes, definitely. We have a relationship with ACT Health. So we try to keep that in good shape. We have ACT Health come and talk to our stallholders about what is required under the legislation for them to be stallholders and sell to our customers. When we do that, we know that across the border in New South Wales there are significant differences in their health legislation and provisions. We know of differences, for example, between what is required for livestock production in the area of poultry in terms of the labelling requirements and all those sorts of things. So we have people coming from outside New South Wales and selling within the ACT. What we stipulate is that if they are going to sell in the ACT they have to be compliant with the ACT legislation. But a lot of them are also selling at other markets. We have people that would sell at Wollongong and in Sydney, so they are under New

South Wales legislation as well.

**MR HARGREAVES**: Mr Watson, my final question to you is: do you think this committee should be considering in its recommendations that the government consider approaching the ministerial council on food, in particular, around having a national approach to these pieces of legislation?

Mr Watson: Yes and no.

MR HARGREAVES: I am interested in the "no" bit.

**Mr Watson**: If you look at the actual experience so far, Victoria is the most advanced in terms of doing a total review of their farmers markets, of which they have quite a few. They have responded to their review and implemented a state-wide bureaucracy to manage farmers markets. Although the jury is still out, the feedback from the grass roots is that they have lost a lot of local autonomy and there are a lot of overheads that have come with that. So unless you are really—

**MR HARGREAVES**: I was not talking about a national approach to farmers markets legislation so much as the cross-border jurisdictional differences between the food production and the selling. That is the bit, and relating it back to our terms of reference.

**Mr Watson**: That would be a yes.

**MR HARGREAVES**: That is the "yes" bit?

**Mr Watson**: That is a big yes. We would love that to happen.

Mr Badelow: Can I give you an example. Recent legislation came out on ACT liquor laws. Some of our stallholders come from boutique wineries from the region, from Braidwood and from our local cold weather areas. When that legislation came out, we had two jurisdictions. There was one particular requirement for registration. It is now quite a convoluted and complex process for registration; nonetheless it is there. But there are a range of impositions, dollar amounts, for selling at our market that went to the stage of actually making it, for our local producers, not worth while. I have been working fairly closely with your office of—

**MS HUNTER**: This is the liquor licensing laws?

Mr Badelow: Yes, looking at those, because it was New South Wales against ACT and the standardisation that was there. There has been a more rational interpretation of the legislation that now requires, rather than having a stallholder paying something like \$180 per market when you are only going to sell \$50 or \$60 worth—because he is really only marketing his product for his cellar door down the road—paying \$180 a quarter for whatever number. That is common sense. That seems to be working well. But there was a bit of a ripple and a wriggle in February-March when the legislation kicked in. Again, we worked through it, and it seems to be moving well. But that is what I call a left-hand, right-hand situation.

**Mr Watson**: Just one quick thing on the qualified yes: in South Australia, for example, they have underpinned their farmers market with a different approach from Victoria. They are trying to get a permaculture type concept throughout, which is a little bit softer than organic or biodynamic, and they are finding they can get a greater acceptance by a broader range of primary producers using this sort of concept, and the recycling that goes with it and all those sorts of things, than the more hard line. Victoria were reluctant to support something like this. We would like to see a little bit of open-mindedness if they are going to go down this track.

**MR SESELJA**: How many people—I am not sure if you said how many—pass through the gates annually? You talked about it being a very large number.

**Mr Badelow**: Annually? We run 48 markets a year and if you multiply that by—

MR HARGREAVES: 8,000 to 10,000 a week, isn't it?

**Mr Badelow**: I will pull it back and say 8,000 on average. That would be about 400,000—

**MR SESELJA**: Do you have any sense, either from surveys or otherwise, as to what proportion of those are from the ACT and what proportion are from outside the ACT?

Mr Badelow: Not directly. I get a sense that the majority are ACT and of that the majority, because of convenience, are from the northern suburbs. We do draw some of our customers from as far as Tuggeranong; but there is a south side market. It is not the same size as ours; it is probably about half to two-thirds the size. Generally, of that, two-thirds replicates some of the same stallholders that we have on a Saturday. But, if you are coming down from Sydney or from outside the region on a truck, you come in on a Friday night, you sleep just outside the market, you come in at 4 o'clock in the morning and you sell as much of the produce as you have on the back of your truck at our market. If you have anything left over, you will take it down to Woden and then you will sell it there. But, if you have sold out and had a really good day, you do not go to Woden; you are going to head straight back home. So we draw primarily from the north side. But, yes, we do draw from the region. When the ABC came in, we were pulling tourists off the highway as they were driving past because they heard it on the ABC and they came in to have a look.

**Mr Watson**: Two quick points: first of all, we are on a growth curve in answer to your question. As Clive pointed out, we started at 12 stalls. We were not sure, having run sausage sizzles, whether we were going to sausage out in two years. The fact that we are where we are now is astounding, but it continues to grow.

One thing that has changed in the last two or three years in particular, which has actually spread out local food to a broader group of people who do not even attend our markets, is that our stallholders have a significant trade with other distributorships within the ACT and further afield. So when a lot of them come to town, especially the people coming from Griffith, Leeton, Orange or wherever, they bring produce in bulk quantities that then get distributed before our market starts. We are not sure how big a footprint that is. We do not really have statistics on that.

**Mr Badelow**: A similar benchmark of success, particularly of some of our fruit and veg growers, is to have a look at what transport they were driving seven years ago and the size and scale of the transport that they are bringing down now. A particular fruit and veggie grower, Mowbray Park, have very proudly said, "This is my truck; you funded that," and the Bundawarrah pork man from Temora said, "You funded that over five years." So it has ploughed that capability back in.

MR SESELJA: This might be a hard question to answer. Given that this inquiry is looking at carrying capacity of the region, and you visit a lot of the farms around the region, what is your sense of the capacity? Is there a lot of scope in terms of the ability of the region to produce more in the way of agricultural produce? Do you get a sense that with the right conditions we could produce a lot more in the region, or not?

**THE CHAIR**: I will just add to that: around the region but also within the ACT.

Mr Watson: We have some producers that are, in fact, within the ACT. We have a stallholder who is a biodynamically certified producer. The answer is definitely yes. Just by way of background, we started the market seven years ago when there was a drought. We had three objectives. One was to look after drought-prone farmers who were doing it particularly tough with their normal commercial products. We thought: "They've all got a veg patch out the back paddock. They can bring a few along and sell them to a few people in the ACT and it'll get them off the hook." That was one of our objectives. The second was to put that producer together with the customer. The third thing was to look after our welfare-type charity projects within the region. We knew there were a number of people hanging themselves at West Wyalong and all of those sorts of things. That is what we deal with.

As for capacity, given that perspective of what we have been on about, when we go round the farms there are still a lot of producers who have a veg patch and a garden. The way Clive described it is a good one. I would say that at least 20 or 30 per cent of our producers started with the back garden veg patch at the back of the farm with mum and dad spending just Saturdays on it. It has grown and now they have got the son bringing his vegetables down on a truck.

So, yes, there is a capacity. It is constrained by at least two things: first of all, some of our natural resources around this region—the starvation of the Yass River valley for wool and stuff. Our really best soils are pretty heavily worked already. The availability of water for something like that is another key issue. I do not need to tell you about the constraints on water supply.

On the other hand, probably the other key thing that would restrict any expansion is seasonality. In our capital region we have got about five hubs. We have got Griffith and Leeton. It has a longer season and it is supported in its sustainability by an irrigation culture. We have got Orange in the northern-most part of our region and it has got totally different soils and totally different seasons. So we get a mixture of seasonalities for the vegetable production that helps spread our products across the seasons.

If you are asking about the ACT specifically, the Monaro Tablelands and around Canberra in particular, it is not rocket science: we get pretty chilly here and once the

frosts come most of the vegetables, except a core of winter vegetables—spinaches, brussels sprouts and cauliflowers—are gone.

MR HARGREAVES: One of the issues that challenge my mind when we talk about the ecological carrying capacity of the territory is the link between it and the employment base, because without the employment base we are going to have fewer people actually wanting to stay here and having fewer people means it will be easier to feed people. That will retard population growth. In my head there is a link. Do you operate your farmers market on a weekly basis? Do you think that there is unfair competition between yourselves and the way in which you operate and the other two marketplaces that operate as a business and, therefore, that will affect the employment base of both of those two businesses?

**Mr Badelow**: Unfair in which way?

**MR HARGREAVES**: In the sense that those other two areas operate seven days or whatever—five to six or seven days a week—and they have more permanent employees to actually cater for. I guess it is the size of the marketplace that I am going to. Is the marketplace big enough to sustain two full-time operators and a weekly operator of the size that you guys are obviously doing quite successfully?

**Mr Watson**: Once again, I would preface my comments by saying that it is only in the last 18 months that we have started to do surveys of our customers and our stallholders to find out how many people they employ, how many people they intend to employ and that sort of thing. In addition to that, to try and get a feel for that we do not set prices. That is a market-based outcome. What we do control is the number of stallholders of a particular product in our market.

That is a balancing act. It is not precise. What we are trying to find out is how many stallholders producing and selling tomatoes we should have at our market for a sustainable outcome within our market in selling tomatoes. If we overkill it, we are going to kill our subsector of tomatoes. If we underpin it, the prices are going to go too high and that is not in our interests.

We are only getting a feel within our own market of how that is working out, but at the present time what we can say categorically is that we have increased employment. Besides the value of our market being about 20 million, we have increased employment on farms and within our marketplace significantly. Secondly, we are just starting to feel that other people in town know we are here and that we are selling fruit and veg, meat and a few other products. I would not want to be quoted on how we know that, but at this stage let me say that it is crystal clear—

**MR HARGREAVES**: Parliamentary committees are very interested to know how you know that.

Mr Watson: Yes, well—

**MR HARGREAVES**: So we would like to know how you know that.

**Mr Watson**: We know very well that we are being felt—

**MR HARGREAVES**: Will you tell us, please?

Mr Badelow: We get a sense—

Mr Watson: Well—

Mr Badelow: Let me just finish. Not so much recently but 12 to 18 months ago I started to get a sense of what I would term "mischievous" letters to the press in terms of our authenticity. Maybe it was forensic of me. I went researching not what was said—and, by the way, we employ a marketing company to look after marketing. It is a young ACT-based company. Previously we used a Sydney-based company. That was not really working out. I would like to say that most members of the Rotary Club are dinosaurs of Bill's and my age, so we deliberately went for a marketing company about half our age and it has proved to be absolutely wonderful. It is creative, young, dynamic and it is pushing ahead. But in doing that, and it was about 18 months ago, we elicited a couple of letters to the editor—mischievous ones from fictitious addresses, when you actually went to check them out. We put our PR company on the thing and we had a response within 24 hours.

I just got a sense informally that we were starting to pinch somebody's market share. We have continued to grow since then. I have to say—and I look you in the eye—that I have not come across any direct complaint at all. I shop not so much in Fyshwick but at Belconnen. Since they have put the liquor barn in there, with the parking, I think they have created a wonderful liquor access at a lousy market, because they do not have any room for people to go there. So the people have dropped off perhaps there. My understanding of what is happening at Fyshwick is that they are still very vulnerable. I think there is room—

**MR HARGREAVES**: I think I have got a very clear picture of where it is at.

**THE CHAIR**: I just wanted to ask one final question, because we do have other witnesses this afternoon—and that is, you mentioned that your customers were looking for other environmental add-ons, so you were looking at replacing, for instance, plastic bags. The other one you mentioned was around organic waste and that city-to-soil type of approach in setting up a facility to collect people's organic waste. Where are you up to with that project and where do you hope to go with it?

Mr Watson: It is at the very early stages. As part of our data collection, one of the key indicators that we decided we would like to monitor was the level of organic waste that we were producing as a result of our market. We have only just had about three or four months of keeping an eye on that. Because of the seasonality within our market I am reluctant to even mention any of those statistics; they are pretty meaningless at this stage. We think that over the next six to 12 months we will get a pretty clear picture of what is our capacity with organic waste created by the market, so that would be a stage 1 understanding. Stage 2 is a concept where we sell vegetables and fruit and they go home to our customers. We may consider a process whereby we facilitate a collection centre for those who cannot compost themselves at home. We would love some help from the ACT government, of course, to facilitate this—

**THE CHAIR**: It might be worth you having a chat to the ACT government.

Mr Watson: Yes, that is right. There might be a dumpster of some kind at our marketplace as a collection centre. We are pretty confident from preliminary discussions that a lot of our customers would be happy to participate in that, but we are not very far down on that. The third thing, of course, in that chain is that you have got to do something with your compost. I am in the middle of discussions with people to see whether we can then do the step from the dumpster to the property and the composting and the use on land—just as an example of whether or not we want to then try and develop for our stallholders a return system to the land to look after the soil and that sort of thing. There are about two or three components in it.

**THE CHAIR**: It sounds fascinating.

**MR HARGREAVES**: The challenges of the marketplace.

**THE CHAIR**: Good luck with it. Thank you very much for appearing this afternoon. We will get a transcript, a draft *Hansard*, sent to you. If you can see that there need to be any corrections, please let us know. Once again, thank you for appearing.

Mr Watson: Thank you.

Mr Badelow: Thank you.

# **DONNELLY, MR LEE**, General Manager, Fyshwick Fresh Food Markets **GIUGNI, MR GIUSEPPE (JOE)**, Director, Fyshwick Fresh Food Markets

**THE CHAIR**: Welcome, Mr Donnelly and Mr Giugni, to the inquiry this afternoon by the Standing Committee on Climate Change, Environment and Water into our ecological carrying capacity. Could you have a look at the buff card, the privilege statement, and indicate whether you understand the statement.

**Mr Donnelly**: I understand.

Mr Giugni: I understand, thank you.

**THE CHAIR**: Would you like to start by making an opening statement, Mr Giugni?

**Mr Giugni**: Yes, I would. I have been with the Fyshwick markets for 40-odd years. To take up the points that have just been discussed, we were in that position in 1970. From 1966 to 1968, the House of Representatives and the Senate joint committee decided that a market should be established in Canberra with growers as stallholders. So what we have just heard is what we were doing 40 years ago. And we have moved on from that.

We have the big problem in Canberra, in our view, that there are too many shops all over, with the competition. And now we have got another one coming, which is Costco. They are stocking fruit and vegetables, as their leaflet says. So there probably will be a price war in fruit and vegetables when Costco opens, with Woolworths, Coles and anybody who wants to survive in the industry.

Going back to 1970 when the Fyshwick market opened, there were 30 stalls the size of approximately 30 square metres each. So our forefathers had seen what was going to happen, and it has happened, but we have developed over the period. In 1988, the federal government decided to sell the Fyshwick market, Belconnen market and Belconnen mall, which was then a utility of the federal government. The ACT was run by one minister with an advisory committee on the side. So from 1988 onwards the stallholders took over the running of the Fyshwick markets and the stallholders effectively took over the running of the Belconnen markets, because that went up for sale as well—and, of course, Belconnen mall.

In that time, the fresh food market has developed in lots of ways. When I first started, we had no storage facilities; we had nothing. We just had a little shed and we had to clean it up every day. We were still open on four days a week—Thursday, Friday, Saturday and Sunday, which we are still doing today. But the increase has been in the volume of produce that has been sold. In the last year or two, 80 or 90 per cent of all fruit and vegetables sold comes from the Sydney markets. A very small percentage, maybe less than one per cent, comes from the Melbourne market, and then there is the regional produce that is available for us—this is for the Fyshwick markets—which is 15 or 20 tonnes a week of citrus from the Riverina district, 15 or 20 tonnes of apples from the Batlow district per week, five to 10 tonnes of stone fruit from Araluen per week, and that is only in December, January and February, and then we probably have four or six tonnes of lebanese cucumbers, zucchinis, capsicums, leeks and broccoli

from Cooma, ACT and Sutton, and that is basically only in December, January, February and March. We also have a few cabbages, cauliflowers, lettuce and melons coming out, as well as pumpkins coming out of Cowra. That is it in the larger quantities of produce being grown.

I go back to the 1960s and 1970s, when all vegetables for the ACT were grown at Pialligo by two farmers, Max Hill and Lloyd. That was when I started here, in 1970, and we were getting all of our vegetables from Pialligo—tomatoes, cucumbers and so forth.

Regarding the question of organics, Max Hill's farm was in the same hands for three generations, when DDT was put in the ground for three generations, if you know what that means. When he sold that property, within six months NASAA accredited it as organic. He is now advertising organic grapes and vegetables sold from the place. So that is how much I care about organics. That was the living proof for me.

At present Woolworths, Coles, IGA and Supabarn all get their fruit and vegetables out of Sydney. The farmers market produce—they get it from Sydney, as he said. It started off from the backyard and they got their sons bringing it in from where? From the Sydney market, or from Belconnen markets or from the Fyshwick markets. It is all authentic. Sydney markets, Melbourne markets and Brisbane markets send all of their produce at random, twice a week, and that is approximately five tonnes of produce from each market, to the CSIRO for sampling for pesticides, and it always comes back 99.1, 99.2 or 99.3. With the 0.7 or 0.8 where they find the discrepancies, they follow it through and they always find a reason for it. So the fruit and vegetables sold in Australia at present are practically the best in the world, pesticide free, except for 0.4 or 0.5, which is negligible because it involves only one or two growers where something has happened, because they all try to grow in the best way they can.

That is where we are with the Fyshwick market. We have just spent a bit of money redoing the whole place. The government built it in a way that was not sustainable in its present state. The whole thing at the moment is that the stallholders are all happy. As I said, we sell a hell of a lot of produce—between 160 and 200 tonnes a week. But back in the 1960s, when there were only 30 little stallholders, they were genuine stallholders; most of them came from Oaks Estate, Pialligo and a few little growers around. And then we had the Griffith Co-op, the Mildura Growers Co-op, Wiffens, Trugolds. On top of that, as I think you are all aware, when the market was established, 25 per cent of the market was given to the Aboriginal families, with a £50,000 grant to give them work. That lasted for about three months.

**MR HARGREAVES**: You mentioned that Sydney sent it to the CSIRO for checking?

**Mr Giugni**: Yes, Sydney markets, and Brisbane markets and Melbourne markets; they all do.

**MR HARGREAVES**: The farmers at Pialligo, do they sell to Sydney?

**Mr Giugni**: Not anymore; they are not there.

**MR HARGREAVES**: Where do they sell to?

**Mr Giugni**: They are just growing grass now.

**MR HARGREAVES**: We have got people out there that are selling stuff as organic and you reckon it has got DDT in it.

**Mr Giugni**: But they are not growing anything in quantities.

**MR HARGREAVES**: So they do not get tested at all?

Mr Giugni: Well, NASAA has approved the growing of the land as organic. But NASAA is the number one body of organics and when NASAA can recognise that land being able to grow organic grapes, to me it is just not right. He is only growing a few vegies, and the few vegies he grows probably do finish up at the markets at the other place. The same thing with the apples that are grown at Pialligo at the present moment: you can go and pick your own and pay a good price for them. They are making good money—good business for them; good luck to them. But—

**MR HARGREAVES**: But they are not tested by CSIRO?

Mr Giugni: No.

**MR HARGREAVES**: So you have a property and NASAA give you a ticket for organic produce. How long is that accreditation worth?

**Mr Giugni**: That is what he did. When Max Hill sold out, within six to nine months that land was credited as organic and he was advertising that he was growing things organically. That is when he went in for grapes.

**MR HARGREAVES**: Okay, but when you get that accreditation how long is it worth—five years, 10 years?

Mr Giugni: I have no idea.

**MR HARGREAVES**: That might be something we could check.

**Mr Giugni**: It would be a long time but with the DDT that he has put on that land it should not be available for 200 to 500 years.

**MR HARGREAVES**: What I was trying to find out was: if you get an accreditation because the testing regime is a bit of yesterday's type, if you have a five-year accreditation will you have to have it retested with a more modern approach to the testing regime? If that is so, what then is the story?

**Mr Giugni**: This was done about 10 or 15 years ago.

**THE CHAIR**: Just to pick up on that point, you were saying that back in the 70s when you started the food came from—

**Mr Giugni**: The Fyshwick markets—

**THE CHAIR**: The Fyshwick markets—the food came from Pialligo—

**Mr Giugni**: No, the vegetables.

**THE CHAIR**: The vegetables came from Pialligo. Obviously over the years we have got less production of vegetables.

**Mr** Giugni: We have no growing production at all in the ACT except backyard growers.

**THE CHAIR**: Yes. I wanted to pick up on that. Do you think that somehow greater growing within the ACT should be supported, or do you think we are fine now; we have good connections with the region—

**Mr Giugni**: Sydney market is only three hours away. In those days we were eight or nine hours away. We used to load a truck in Sydney, finish loading at 1 o'clock, 2 o'clock and the truck would be here at 8 o'clock at night. Now the truck from Sydney is here at 9 or 10 o'clock in the morning because of forklifts and so forth. In those days it had to be loaded by hand; now it is all lifted by pallets.

In the river flats that we have got down by the lake and where Pialligo is, the soil was fantastic for growing vegetables. It was cheaper for him to grow lucerne and grass and the other guy went in for a few organic grapes. We have still got the few apple trees that were there 40 years ago but, apart from that, in the ACT we have got the vineyards out at Belconnen. But you tell me where else there are vegetables being grown. At the Oaks Estate there used to be, but there is not anymore. As I said, Sydney is only three hours away; Melbourne is a big longer. For anybody in retailing, that is what they use.

**MR HARGREAVES**: You know about soil quality and what vegetables require; grapes take a different type et cetera. Do you have a sense, given the floor area, the footprint, of the ACT within its borders, that we have tracts of land which lend themselves to vegetable growing—

**Mr Giugni**: To growing grapes.

**MR HARGREAVES**: except for grapes and olive trees. Is there anything else in the ACT that you think the land is indicative of being successful with?

**Mr Giugni**: You can grow anything you like if you put fertiliser on it. And how long are you going to get fertiliser for? That is your answer. And how much will it be?

**Mr Donnelly**: I would just like to expand a little bit on that. Going on the fact that we used to grow quite a lot at Pialligo and Oaks Estate, an expansion of housing will cause a further reduction in the region's ability to produce fruit and veg. There are 14,200 dwellings forecast for the adjacent New South Wales area over the next 25 years. The population of the ACT, using ACT government figures, is set to rise in excess of 20 per cent by 2030. Using the figure of 2.1 persons per household, which I

used to use when I was in shopping centres in nappy valleys, it equates to over 36,000 new houses, a total of 50,000 homes that are going to take the land. This, coupled with soil degradation, the decline in the availability of suitable fertilisers and climate change, leaves a bleak outlook for the region's future. That is how I see it.

The other part that I would like to make a point on is that our Canberra region market is a good idea. I opposed it when it was first mooted. I wrote a letter to the then Chief Minister and the reason I did was that the people who run stalls in that type of market pay \$65 a week. Our people who are selling the same product are forced to pay for the same area about \$150 a day. Obviously they have got to recoup those costs—such things as air conditioning, electricity and water that they have to pay for as well. The people who run in these markets pay virtually nothing, so obviously they can afford to run cheap vegetables and they can afford to fill their truck up and get a new truck and run it from Sydney.

As Joe alluded to earlier on, some of these people with their trucks actually buy produce from the back door of Belconnen markets and Fyshwick markets. We know that as a fact in relation to our own market. The other part that gets me, and it was mentioned by the previous people, is that the ABC radio is able to advertise and run programs out of that market and advertise the hell out of it. And I thought that the ABC was a government institution that was not allowed to do advertising.

I might close with one little thing, and I am not as eloquent as our predecessors: we also put a lot of money back into the community. We are the major sponsor, I believe, of the National Multicultural Festival, other than the government itself, and we put something like a quarter of a million dollars back into schools, school sport—

Mr Giugni: Heart Foundation, diabetes.

Mr Donnelly: and other organisations.

**MR HARGREAVES**: Thank you for your donations.

Mr Giugni: That is all right. We will continue doing it. But I am laughing because what they are saying is what we were doing 40 years ago—no more, no less. But you give them another 40 years and they will want to have their own buildings, they will want to have their own markets and they will want to build the same thing as we have got. That is why I am laughing—because it is a progression. We have progressed from 40 years ago to today and what we have got, and they will do the same thing over a period of time. I can see it, and it is as simple as that.

As for the problems with the quality of the fruit and vegetables, I do not think the quality has got anything to do with it. The nutritional value of organic: there is no difference. For the organic you are paying three times the price, but you do not get any more benefit from it.

**MR HARGREAVES**: Something is bugging me and it seems inconsistent. I want to see if you can clarify it for me. You said that most of the stuff that comes into the ACT comes out of the Sydney market with a bit of stuff out of Melbourne—minor; is that right?

Mr Giugni: Correct.

**MR HARGREAVES**: Previous submitters said that 80 per cent of their stallholders come from the ACT and the region. Are we talking about the producers sending their stuff up to Sydney and then, because this thing operates once a week, they do it both ways?

**Mr Giugni**: I am talking about producers in a business sense; they are talking about stallholders that grow a few things in the backyard or a paddock. But then again it is not local; it has to come from Griffith, the Riverina, Batlow, Orange or Sydney markets. You cannot grow it in the area here in quantities—and, if you do, it is only January, February, March.

**THE CHAIR**: He did, I think, lay out those—

**Mr Giugni**: Yes, in a basic sort of way. You cannot grow anything at the moment. If anybody still has tomatoes in their gardens—and we have not had any big frosts yet, have we?—they will know that is what happens. You have a few backyard growers. A lot of them grow a little bit and buy a little bit to supplement it. It is as simple as that.

Mr Donnelly: My understanding—and I hate going on with this theme—was that the Canberra region markets were for local growers. I do not know how they class Coffs Harbour as a local grower. I have been to the markets to have a look to see just what is there. I find they have got bananas for sale. Where in the hell can they grow them around here?

MR HARGREAVES: To go back to my earlier question, you talk about sustainability of the region. You talk about jobs being absolutely relevant to population growth and sustainability in the community. What I am hearing you say now is that, if we define the region to be just the local New South Wales councils which ring the ACT and not much else, then what we are seeing is that a lot of the produce coming in is from outside that ring. Going to your point, if they are paying 65 bucks one day a week and your people are paying 170 bucks a day for the same area, then that is going to have a detrimental effect on our economy.

**Mr Donnelly**: Absolutely. In toto, we employ something like 245 people permanently, casually and part time. Obviously, they are mainly people with families—the 2.1 people per household that I mentioned before. The other thing—and I said this to you on another occasion—is that, out of our people there, there are 38 different nationalities.

**Mr Giugni**: That is why it is important that we support multiculturalism.

**THE CHAIR**: You were talking about the tonnes of produce that you sell each week. Have you found that is decreasing or increasing?

**Mr Giugni**: It is increasing all the time.

**THE CHAIR**: At this point, something like the farmers market is not threatening

you?

**Mr Giugni**: It is not threatening us at all. It is competition. Competition is good. The Belconnen market is another one. He said that there were liquor stations right in front of the car park. It is a fact. They have wrecked that place. I do not know what they are going to do with it eventually. There is no parking there unless you park a mile away from them. That is not what it was set up for.

We had another one set up and ready to go at Tuggeranong, if you recall. We had plans done. At that stage, there was still a trust in place. That was before 1988. The market was to be built at Tuggeranong. Then, all of a sudden, it got skittled. Then it went to private enterprise and it was built. It was killed because it could not survive. There were too many. They opened up another market in Civic, seven shops—a farmers market in the Canberra Centre. Seven shops they opened up. Now you finish up with one, and even that one has gone.

There is a limit. We have only got 75,000 to 80,000 families in Canberra. We have got seven regional shopping centres. In Sydney and Melbourne, you have got one regional shopping centre for 350,000 people. Here we have got six. No wonder they are closing down all over the place.

**THE CHAIR**: I was also interested in your comment about Costco. What do you see the impacts of Costco will be? Does it add to the number?

**Mr Giugni**: I saw the brochure only today. Here it is. In regard to fresh foods, it says: "Get a taste of convenience. Our customers buy fresh food at Costco because they know they are of the highest quality and terrific value for money." They include fruit and vegetables, fresh produce, meat and so forth. They have not even opened yet. How are Woolworths and Coles going to react to that?

We have got to react accordingly as well. We have got to pull our horns in. Our fellows have got to drop their prices or do something if they want to stay in business. If they do not want to stay in business, then we have got to close down. That is how I see it. Oversupply in Canberra is shocking.

**Mr Donnelly**: If I could clarify, when my colleague said that competition is good, he meant to say "fair competition is good".

MR SESELJA: On a slightly different point, in terms of your business, you talked about the oversupply of shopping centres in Canberra. Are there other aspects of government regulation which are an issue for the growth of your business? I suppose the more pointed question is: what is it that we, as an Assembly or the ACT government, can do—

Mr Giugni: Reduce taxes.

MR SESELJA: Reduce taxes; that is always a good one. Is there anything specific that is holding things back? Obviously you talk about potential oversupply; that has an effect on business. That sometimes sorts itself out. There is also government intervention and government regulation. What are some—

**Mr Giugni**: In the 40 years that we have been there, government intervention has really caused us no problem at all. There are a few hassles now with WorkCover that we have overcome. But apart from that, I do not think we have any problems. Land tax is a big problem on a property which we have to pass on for rental, plus there are rates and taxes, and water is part of the taxes. I do not know how much these guys at the farmers market pay for all of those things, but we are paying it, and it has to be passed on to get it back. Therefore, there is really not much that the government can do to help us in that sense.

If our businesses survive, it is because of the hard work they put in. In order to survive, on the four days a week on which we operate they have to take the same as, or better the takings of, the shops out in the suburbs that are open for seven days a week. That is what it comes down to. And you eliminate part of the wages. Instead of paying for seven days a week, you are only paying for four days a week. Therefore, it does help them in that sense.

We have also helped them in the new design of the market, where the storeroom and the shop are together, and they can save another 10 or 15 per cent on staff. Before, their shops were at the front and their cool rooms were at the back. The boys would walk from the back to the front and get lost on the way. So all of these things have come together and it has improved the capacity to work.

To maintain the temperature, to give you an example, last year in the summertime, in the old sheds where Wiffens was, it was 42 degrees. In the new sheds, on the other side where Ziggy's is today, it was only 24 or 26 degrees. So produce and stock hold up better. The building itself is not as cold because you have got car parking. We have taken all the car parks for the staff away from the centre and we have put them above the shops so that they all have their own parking facilities, and then there is a roof on top of that. So the shop underneath is pretty well air conditioned and you do not really need much air conditioning in there. Before, in the summertime, it was bloody hot and in the wintertime it was cold. At the moment it is more stabilised.

Mr Donnelly: We use a lot less electricity.

**Mr Giugni**: Again, the farmers market will be doing the same as what we are doing in 30 or 40 years time, if they get the chance; nothing more, nothing less.

**THE CHAIR**: Thank you, Mr Giugni and Mr Donnelly, for appearing this afternoon. The *Hansard* will be coming out for you to have a look at. If you have any corrections, please send them through to the secretariat.

**Mr Donnelly**: Thank you for the opportunity.

**BURROWS, MS SARAH**, Senior Manager, Office of the Commissioner for Sustainability and the Environment

**THE CHAIR**: Welcome, Ms Burrows. Thank you for coming along to give us an update on what the office is up to at the moment. I want to make sure that you are aware of the privilege statement and understand the content of that statement.

Ms Burrows: Yes, I understand.

**THE CHAIR**: Could you start off by giving us a bit of an update on the office's activities and then I am sure there will be some questions from committee members.

**Ms Burrows**: I am focusing today on our state of environment report, which is a fairly significant project for the office. As you are aware, the commissioner will be with the committee on 6 July.

A review was undertaken into our state of environment report in 2009-10. We now have a new framework, which is using the driving force pressure, condition impact response model, which extends the previous model by taking into account driving forces or significant causes of change, as well as impacts on environment, social and economic systems. So the new framework has five themes which are fairly comparable to the previous framework. They are land and water, biodiversity, air, climate, and people. These themes are going to use the data that is available over the last four years to outline key issues relating to the environment. This new model will also help to facilitate considerations of the connections between impacts and pressures on the environment as well as the effectiveness of responses.

The other thing that the driving force is going to help us do is identify some of the global issues. As you aware, environmental issues are increasingly being considered at a global level. These driving force indicators, such as consumption, populations and growing cities are going to be some of the global issues in relation to our local environment, as well as our action and how it may impact on environments elsewhere.

As part of the *State of the environment report*, we undertook the ecological footprint which was prepared by Dr Chris Day of the University of Sydney, who provided the committee with a briefing in December. Just to recap on some of the key findings: the 2008-09 footprint is 9.2 global hectares for the average ACT resident. It is an increase of eight per cent in five years and nearly 25 per cent in the last 10 years. The ecological footprint is 13 per cent above the Australian average and about  $3\frac{1}{2}$  times the global average. We use about 14 times the land area of the ACT to support our lifestyles.

Following on from the ecological footprint, we have commissioned Dr Sarah Ryan to undertake a paper on buying choices. The purpose of this paper is to illustrate the ecological impacts on a handful of everyday products that Canberrans use and services they use. So it is about creating that linkage from the footprint to make it more clear and understandable to Canberrans. We are also working to commission a paper on consumption in the ACT which will identify key consumption patterns, attitudes and values and to place consumption and production patterns into the wider

global trade flows.

We are also going to undertake some horizon scanning. The point of this is to bring together experts in the ACT and region on environment and sustainability, which will help identify some emerging issues in both environment and sustainability that can help direct research policy and practice. The outcomes of this project are twofold. First of all, it will help shape the state of the environment "progressing sustainability" chapter. This puts the findings of the ACT SoE into a wider sustainability framework and provides information on key challenges and opportunities for the future. The other thing it will do is help provide information for strategic planning both in the ACT and across the region.

Finally, we are doing some work within the region. We are developing a discussion paper on state of environment reporting in the region. This is following on from recent legislative changes in New South Wales with regard to their reporting requirements. We will be going around the region talking to regional bodies both about state of environment reporting and the outcomes of the horizons scanning later in the year.

**THE CHAIR**: Thank you. I just wanted to pick up on a point you have just made around changes to the reporting within New South Wales on state of environment reporting. Could you give us a little bit more information about that?

Ms Burrows: We are still looking into the detail of that. The local government reporting requirements changed in the last couple of years. The reason we stopped doing fee for service for regional state of environment reporting was to wait until these changes came through and had been clarified. It appears that they are still required to do state of environment reporting, but it is going to have a closer link into their strategic community and council reporting requirements.

**MR SESELJA**: You talked about five themes, the fifth of which was people. What exactly is meant by that in the context of the state of the environment report?

**Ms Burrows**: In terms of people, we have a number of what we call indicator classes. The ones under "people" are about urban quality, transport, waste, heritage, community engagement and natural hazards. So it is really about the urban form and the way people live, how they live and that impact on the environment.

**MR SESELJA**: Is it about the quality of life for those people or is it about the impact on the environment?

**Ms Burrows**: The state of the environment report is primarily about the impact on the environment but of course takes into account other, wider sustainability issues.

**MR SESELJA**: Recently Dr Cooper raised the issue of an environment tax. What has been the response from the government to that?

**Ms Burrows**: This is part of the investigation into the nature parks. I have not been working on that specifically. I am happy to take that back to the commissioner for her to respond to that. The commissioner is actually focusing on finishing that investigation at the moment. It has not been provided to the minister yet.

**MR SESELJA**: Is there any sense yet of what would be the potential environmental benefits of such a measure?

**Ms Burrows**: I am afraid that I am not really in a position to answer that. Again, I am more than happy to take that back to the commissioner.

**THE CHAIR**: I think you were in the gallery earlier. We were talking to fruit and vegetable providers in the ACT in relation to our ecological carrying capacity inquiry. Is the office of sustainability, environment and water looking at this issue of food, for instance, in our region?

Ms Burrows: We had a discussion with David Dumaresq of the Fenner School at the ANU. He does some work on food, as does Rob Dyball. We started having a discussion with them. Where we ended up taking that was this paper that Dr Sarah Ryan is putting together. What that is really doing is looking at a regular shopping basket of goods and following the footprint of that. There will be, within that basket, some food items that we start tracing back to where they came from and the impact of that.

**MR HARGREAVES**: When you talked about people, you talked about the impact of the environment. Are you talking about the current impact? Do you do any projections on what would be the impact on any given population in the future?

**Ms Burrows**: The state of the environment report is a snapshot looking from June 2007 to June this year. It is a backward-looking snapshot. That is where our data is going to come from.

**THE CHAIR**: Are there any more questions? Thank you for giving us an update. We will be seeing the commissioner in July. We look forward to that. Thank you.

The committee adjourned at 3.25 pm.