

# Brismark – Policy Statement

## March 2009

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As Queensland's only central fruit and vegetable wholesale fruit and vegetable market, the Brisbane Markets is the centre of selling and distribution of horticulture produce that is trucked, railed, shipped and flown from throughout Australia and overseas to the Rocklea site. It incorporates the Brisbane Produce Market, Brisbane Flower Market, Brisbane Market Place retail markets precinct, Brisbane Markets South Gate industrial estate and the Brisbane Markets Commercial Centre.

The Market records annual trade in excess of 600,000 tonnes of produce valued at more than \$1.011 billion. There are 26 warehouse and five selling floor buildings covering an area of more than 107,000 square metres.

Brisbane Markets' 56 primary fruit and vegetable and flower wholesalers and an additional 93 support businesses market produce supplied by some 7,000 growers. Produce is purchased by around 1,000 buyers, including fruit and vegetable retailers and retail chains, secondary wholesalers, providores, restaurants, cafes, food service businesses and exporters. Over 65% of all the fresh produce consumed in Queensland is distributed from Brisbane Produce Market.

Brisbane Markets Limited (BML) is the owner of the Brisbane Markets, and is responsible for the ongoing development and management of the site. It operates on a commercial basis as an unlisted public company, with in excess of 150 predominantly industry-based shareholders, including growers, wholesalers, secondary wholesalers, retailers and the industry organisation Brismark.

Brismark is the industry organisation in Queensland that represents fruit and vegetable wholesalers operating in the Brisbane Produce Market. The organisation represents the best interests of the wholesaling sector of the fruit and vegetable industry, the Brisbane Markets and the industry generally.

Brismark plays a leading role in the horticultural industry in Queensland through industry liaison, event sponsorship, hosting grower delegations, regional tours and industry representation. As an industry organisation, Brismark is committed to ensuring wholesalers and growers continue to have good working relationships and maintain an understanding of each other's concerns and issues.

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## *Industry involvement*

Brisbane Markets is consolidating its role as a marketing and distribution hub for fruit and vegetables; adding value in catering for the needs of major customer groups; increasing recognition as a part of the industry and creating further industry alliances - vertically and horizontally in the supply chain. This approach is also seeking to promote increased co-operation and collaboration within the industry to pursue opportunities and to address issues.

## *Master Planning*

As part of its vision to further develop the Brisbane Markets site into a world-class facility in the warehousing, marketing and distribution of fresh produce and flowers, Brisbane Markets Limited has commenced rolling out its Master Plan to upgrade and develop the site. This will enable it to set a clear vision for the future of the Brisbane Markets and will benefit not only BML, but all stakeholders in the operation of the Markets and the Queensland fruit and vegetable industry.

The Master Plan, which seeks to address site related issues and the development of the site over the next 10 years, includes:

- Development of Brisbane Markets South Gate East – already completed
- Establishment of car parking areas and an access road to the north-west of the site
- Upgrade of Brisbane Markets Commercial Centre.
- Redevelopment and modernizing the Selling Floor areas.
- Redevelopment of nine older warehouse buildings and the construction of new warehouses.

The redevelopment will provide facilities that can meet horticultural industry requirements in the future with the provision of increased operating efficiencies. Brisbane Markets has the flexibility to respond to stakeholder requirements and provide the highest order of services to meet the needs of the industry.

## *Programs*

### **Fresh Tastes Retail Development Program**

Brismark co-funds a program with Brisbane Markets Limited (BML) for independent fruit and vegetable retailers to assist them with promotional support. Fresh Tastes fruit and vegetable retailers are independent greengrocers from Queensland who buy fruit and vegetables from the Brisbane Produce Market. All stores receive regular feedback on their levels of customer service, product quality, product knowledge, shop appearance and merchandising.

The Brisbane Markets Fresh Tastes Retailer of the Year Award is presented each year to a retailer who consistently achieves at the highest level, operates a store that is appropriate to the needs of their locality and is held in high standing within the industry. Innovation and contribution to the development of the fresh produce industry is also taken into consideration.

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### **Fresh Source magazine**

Fresh Source is a bi-monthly industry magazine that is distributed free of charge to over 5,000 wholesalers, retailers, growers and industry representatives. The magazine aims to present and report on issues of interest to the whole supply chain.

### **Queensland Kids Fresh Net**

The Queensland Kids Fresh Net (QKFN) program was created to help improve approaches to the education and promotion of health and nutrition in primary school children. It also recognises the Go for 2 & 5 initiative.

Brismark co-sponsors the QKFN program with BML to encourage school children to make healthy eating choices and live active lifestyles. The program targets children, their parents, teachers and tuck-shop conveners. All program elements are free with schools registering for access to the program. Over 750 schools throughout Queensland are in the 2009 program.

The program includes:

- Apples Ain't Apples school presentations to students in years 2, 3 & 4
- Presentations at Agricultural Education days
- Tours of the Brisbane Produce Market main trading floor
- Canteen Fresh Newsletters for tuckshops
- Annual tuckshop competition
- Teacher resources and materials
- Website resources including [www.freshforkids.com.au](http://www.freshforkids.com.au) and [www.marketfresh.com.au](http://www.marketfresh.com.au)

### Queensland election 2009

Brismark wishes to present policy statements in regard to the horticultural industry in Queensland.

#### *Industry structures*

The Queensland horticultural industry is represented by a number of industry organisations. Some of these are cross-commodity; some are commodity-specific, while others represent parts of the supply chain. In this scenario, it is difficult to provide a united horticultural perspective on issues. The effectiveness of many structures representing the industry must be questioned in conjunction with a cost benefit analysis of a disjointed approach to industry needs. There is no single peak industry organisation in Queensland.

In addressing industry issues, it is important for state agencies to consult widely with horticultural organisations to gain a wide cross-section of industry views as possible. In conjunction, wider state government resourcing for industry organisations to enable representation of their constituents will empower the Queensland horticultural industry.

#### **Our policy is to support:**

- 1. Queensland Primary Industries & Fisheries' leadership in establishing a horticultural industry group driven by all supply chain sectors to benefit the entire Queensland horticultural industry. This would encourage more sectors of the industry to be involved in the process of industry policy.**
- 2. Clearer State Government recognition of the key horticultural organisations in Queensland**
- 3. Recognition of the Brisbane Markets as the largest wholesale hub in Queensland, distributing more produce than the retail chains stores and consequent involvement in government consultation processes.**

#### *Red tape reduction*

Wholesalers in the Brisbane Markets and Growers must comply with numerous pieces of legislation stemming from State government regulation. There is concern that there is increasing volume of regulations, increased complexity of regulations and increased regulatory costs to business.

Such burdens can reduce the competitiveness of businesses competing against imports and generally inflate costs, restrict business opportunities and hamper business investment, employment and overall economic activity.

There needs to be more rigorous cost-benefit analysis of regulatory proposals and include different options and quantification of compliance costs and analysis of risk where relevant.

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A second major deficiency that needs to be addressed is consultation. A whole-of-government policy on consultation should be promulgated, setting out best practice principles for effective and timely consultation across the regulatory cycle. The mandatory Horticulture Code of Conduct (while existing as Federal Government Regulation) is a good example of where poor consultation resulted in unworkable regulations being imposed on the industry, with the provisions of the regulation and different in numerous respects to the recommendations contained in the Regulatory Impact Statement. Mandatory codes of conduct increase compliance burdens on business and although a federal government regulation, it is important for the state jurisdiction to be aware of the problems with compliance with this code.

**Brismark seeks support for:**

- 4. Review of business regulation across all areas of state government**
- 5. Consultation by the state government with federal agencies in regulatory areas of concern such as the Horticulture Code of Conduct**

## *Biosecurity*

Biosecurity protects the environment, economy and community from pests and diseases and with an average of 600,000 tonnes of fresh fruit and vegetables passing through the Brisbane Produce Market each year, wholesalers are well positioned to monitor biosecurity incursions.

The outbreak of Citrus Canker in Emerald in 2004 illustrated the need for a coordinated approach to biosecurity that is supported by the State Government.

It also highlighted the need for continued investment in surveillance and detection of pests, and a structured approach, including cooperation and education at all levels of the horticulture supply chain will improve the possibility of fast responses to biosecurity incursions.

The importance of tropical biosecurity in Queensland cannot be overstated when considered in the light of climate change scenarios. As agriculture responds to changes in temperature and scarce water supplies, more fruit and vegetables could be produced in Northern Australia.

The changing climate will also affect the potential for incursions of pests and diseases into areas where they had not been previously detected.

Although it is difficult to quantify the already significant investment in biosecurity made by the industry, the investment benefits all of the community and should also be supported by State Government funding for Biosecurity Queensland to continue its work. It is important to build relationships between industry and government for a collaborative approach.

The roll-out of the Queensland Biosecurity Strategy to prevent incursions will go a long way towards safeguarding Queensland's fresh produce industry and the significant contribution it makes to the economic prosperity of the State.

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### **Interstate Certification**

The current biosecurity inspection regime is making it tougher for Queensland producers to trade interstate. Regulations vary from state to state and some are more stringent than those faced by international importers.

Many of the current requirements are based on international regimes and do not take account of smaller shipment sizes often associated with interstate trade. The cost of inspections for interstate trade falls most heavily on Queensland producers. For example, Queenslanders sending produce to Perth must supply 600 pieces of product per lot for inspection while markets such as Japan, Taiwan and China only require a 2% sampling rate. This makes smaller domestic shipments uneconomical.

On top of this, the inspection regimes are unclear, creating confusion.

The additional costs involved in meeting the varied biosecurity regulations is adding to the price of the fresh produce, potentially leading to imported produce becoming more attractive than Queensland fruit and vegetables in some state markets.

There is a need for:

- Clear, explicit readily available guidelines for sampling and inspection
- Uniformity between states
- Maximum sampling rates of 2% or 600 items, whichever is less, rather than a set number of pieces that does not take into account the size of the shipment
- Reduced requirements where past practice and scientific evidence supports a reduction
- Acceptance of Interstate Certification Assurance arrangements that allow approved businesses to certify that product meets quarantine protocols

**Brismark seeks support for:**

- 1. A commitment to achieve the consistent application of uniform standards across all Australian States.**
- 2. The application of biosecurity standards**
- 3. Implementation and financial support for the Queensland Biological Strategy 2009-2014.**
- 4. State government cooperation for implementation of the Beale review into Quarantine and Biosecurity.**
- 5. Change to interstate certification requirements to reduce produce inspections by external auditors and decrease sampling rates.**
- 6. Increased research & development funding to create efficiencies in inspection procedures**

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## *Infrastructure*

### **Planning**

The 2008 Draft Rural Futures Strategy for SE Qld has addressed the issues of sustainable economic and community development in rural South East Queensland. It stated that between 2001 and 2006 the number of fruit and vegetable farms increased while the number of farms producing other commodities declined. Horticultural output would continue to grow, along with poultry and milk production, to feed a growing local population.

In light of this growth in horticulture, it is important to note that the Draft Rural Futures Strategy has not addressed a number of issues.

Firstly, the retention of Good Quality Agricultural Land and development of urban and rural residential land around farming areas will have a large impact on both the farms and residents. The impacts of farming on residential landholders in peri-urban areas in relation to noise and farm practices are important for the state government to consider.

Secondly, it is likely there will be an increase in the number of LOTE (Languages other than English) farmers on small areas of land in peri-urban areas. The divide between farming and city is becoming more blurred with the loss of good farming land and farming practices impacting on city dwellers.

### **Brismark seeks support for:**

**Development of the Draft Rural Futures Strategy to address issues of farming on peri-urban areas. This should be undertaken in conjunction with local authorities that have jurisdiction over many practices in these areas.**

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### **Water availability and reliability of supply**

The sustainability of horticultural production areas relies on water supply and reliability. The state government should implement a strategy to ensure continued supply of water to farms at a reasonable cost.

The horticultural industry is already using best practice in water use efficiency but needs guaranteed supplies of water to warrant investment in the industry. While expansion of the industry into North Queensland where water supply issues are not as critical, other issues such as varietal selection and disease control will affect the expansion in these areas. Consequently, it is important for the State Government to invest in water infrastructure for established areas of production.

This will improve economic returns from rural water on good quality land; improve current rural water access and availability and maintain viable rural communities.

### **Brismark seeks support for:**

- 1. A stock take of water supply to current Good Quality Agricultural Land**
- 2. Water infrastructure planning to maintain water supply to horticultural producers at a reasonable cost**

### **Roads and transport**

The Brisbane Market relies heavily on road transport for the delivery and distribution of produce from Queensland and interstate. Road networks therefore play an important role in the efficient functioning of the market. The transport of fresh fruit and vegetables is being limited by road standards in North Queensland and restricted access to local Brisbane roads which will have an effect on the Brisbane Market.

The transport of fruit and vegetables from North Queensland can be easily affected by weather conditions and cause loss of business throughout the supply chain. The state government should address the issue of better all-weather roads in horticultural production areas in the north.

In the Brisbane area, trucks with high mass limits require access to the market via roads that are not currently able to support that capability. There is a need for the Queensland government to provide the necessary funding for an upgrade of existing local government roads to allow higher mass limits.

Current issues between the state government and Brisbane City Council concerning ownership of road assets and the cost of upgrading local roads need to be addressed in a timely manner.

### **Brismark seeks support for:**

- 1. Increased funding for all-weather major roads in North Queensland**
- 2. Upgrade of local roads in the Rocklea vicinity to support vehicles with Higher Mass Levels**
- 3. Funding from the state government for construction of a new road connection between Fairfield Rd and Ipswich Road in support of the Brisbane City Council Sherwood/ Yeerongpilly Freight Transport Study**

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## *Export*

Development of export potential is strongly supported by Brisbane Markets. There are a number of current limitations for Queensland-based exporters including:

- Quarantine protocol requirements
- Access to regular and competitively priced for air and sea freight out of Brisbane
- Access to disinfestations facilities
- Road infrastructure incapable of supporting vehicles with higher mass limits as outlined above

Quarantine protocols are a critical issue in relation to the export of fresh produce and the state government, through DPI&F has a role in working with Biosecurity Australia in relation to ensuring effective export protocols and a focus on gaining increased levels of access into export market destinations. This will benefit the domestic market by expanding potential destinations for Queensland produce.

It is also important to co-ordinate discussion between the state and federal governments to seek improved freight opportunities both by air and sea.

Varietal selections and breeding programs for horticultural produce need to be supported by the state government to ensure that exported produce meets consumer expectations of Australian product.

Brismark supports increased resourcing for DPI&F in researching export market access protocols, particularly in relation for Queensland fruit fly and continued support for the Global Markets Initiative.

### **Brismark seeks support for:**

- 1. Increased cooperation and coordination between state and federal governments on export issues**
- 2. Increased funding support for DPI&F in the areas of varietal selection and market access**
- 3. Continued support for the Global Markets Initiative**
- 4. Improvement to infrastructure, particularly in relation to roads**

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## *Consumers and education*

Government has a strong role to play in encouraging healthy eating in the community. A recent report by Access Economics for Diabetes Australia has put the annual cost of the 'obesity epidemic' in Australia at \$58 billion. This included \$8.3 billion in financial costs and \$49.9 billion in the value of lost wellbeing. A study in Western Australia by Edith Cowan University nutritionists found that people who eat two serves of fruit and five serves of vegetables a day could cut their risk of developing a range of cancers, heart and blood vessel disease, metabolism syndromes and bone disease.

Brismark and BML have a number of joint programs/initiatives for promoting the healthy consumption of fresh fruit and vegetables. These programs would benefit from input and support by the Queensland Government.

The Queensland Kids Fresh Net (QKFN) program was launched in 2003 as an initiative to improve the education and promotion of health and nutrition within the school community. The healthy eating messages conveyed in the program reflect those of the very successful 'Go for 2 Fruit & 5 Vegetable' campaigns and is committed to delivering a range of program activities to develop a cooperative approach to increasing consumption of fruit and vegetables in Queensland.

Brisbane Markets Limited and Brismark have also issued a number of fruit and vegetable recipe brochures. Healthy Kids and Growing Bodies and Kids Snacks and Lunches are specifically directed at healthy eating by children and are available to participating school and independent greengrocers in South East Queensland.

It is therefore appropriate for the Government to invest in the future well-being of Queenslanders by continuing to promote the 'Go for 2 & 5' message. For the Government and the health industry, the benefit would come through having a healthier society with massive health care savings.

The horticultural industry would also benefit from the potential growth which exists for Australia's fruit and vegetable industry if consumption levels are increased.

### **Brismark seeks support for:**

- 1. Continued commitment to the Go For 2 & 5 campaign with an ongoing commitment to funding of the program of \$6 million over the next three years.**
- 2. Funding, support and recognition of healthy eating programs such as Queensland Kids Fresh Net.**

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## *Quality Assurance*

Brismark supports growers and wholesalers with the introduction and continuance of quality assurance systems in the supply chain. A number of quality assurance systems currently exist but there is a need for common and integrated QA standards in the horticulture industry that suit multi-market trading. Current systems, while providing a high level of risk mitigation, create an array of requirements that differ across the industry. Food borne illness is a universal problem with universal causes and universal consequences that requires a universal solution.

This is best achieved through a competency-based system that provides a framework of:

- Universal standards and certification
- Food safety risk management
- Monitoring and measurement of performance

The state government, through the Department of Primary Industries & Fisheries, should provide leadership in promotion the adoption of a national quality assurance scheme that has broad application across the horticulture supply chain and was acceptable to the growing, wholesaling and retailing sectors. This would remove the need for multiple audits of businesses, increase food safety and decrease business costs.

***Brismark seeks support for:***

***An integrated universal quality assurance system for the horticulture industry that integrates supplier/ wholesaler / retailer expectations***