



The Hon. Adam Marshall MP
Minister for Agriculture
Minister for Western New South Wales

Reference: OM19/1081



Mr David Blunt
Clerk of the Parliaments
Clerk of the Legislative Council
Parliament House
SYDNEY NSW 2000

Dear Mr Blunt

I am pleased to submit the NSW Government response to the report of the Portfolio Committee No. 1 – Premier and Finance into the price of fresh food in New South Wales.

The NSW Government supports or supports in principle the majority of recommendations from the inquiry and is working to progress them.

Please find enclosed the NSW Government's response.

If you require any further information on this matter, please contact Brendan Stone, Director Strategy and Policy, Department of Primary Industries, on 0417 110 984.

Yours sincerely

Adam Marshall
MINISTER

Encl.

*Received at 3:00pm
Monday 29 July 2019
RB*

Legislative Council Inquiry into Fresh Food Pricing in NSW – Government Response

NSW Government Response	
<p>Recommendation</p> <p><u>Rec. 1</u> That the NSW Government, led by the NSW Ministry of Health and in consultation with key stakeholders, develop and implement a comprehensive approach to data collection in respect of food pricing and food security that:</p> <ul style="list-style-type: none"> • includes regular healthy food basket surveys • captures the differential between healthy and unhealthy foods • measures a range of factors impacting food security • improves mapping of food deserts and our understanding of them • enables comparison with other states and territories. 	<p>This is a matter for the Commonwealth Government.</p> <p>To develop a comprehensive approach, consultation and co-ordination would be needed between jurisdictions, industries and retailers.</p> <p>This matter may be considered by the Australian and New Zealand Ministerial Forum on Food Regulation which is the joint food regulation system across all Australian States and Territories as well as New Zealand.</p>
<p><u>Rec. 2</u> That the NSW Government pursue via Council of Australian Government discussions mechanisms for greater transparency in purchasing arrangements between growers, wholesalers and fresh food retailers.</p>	<p>Support in principle</p> <p>The COAG Council of Federal Financial Relations (CFFR) is the appropriate forum for this issue.</p> <p>Other appropriate forums include the Agriculture Ministers Forum (peak forum on primary production, comprising Commonwealth, state and New Zealand ministers) or the Board of Treasurers (an independent body comprising Australian state and territory treasurers).</p> <p>The NSW Government has committed to the creation of a Fresh Milk and Dairy Advocate to address issues in the dairy industry including poor prices.</p>

	<p>The Commonwealth Government has agreed to a mandatory industry code of conduct to increase fairness and transparency between dairy farmers and processors in particular, following an ACCC inquiry and industry consultation.</p>
<p><u>Rec. 3</u> That the Department of Primary Industries examine the NSW Farmers Association proposal for the establishment of a NSW Commissioner for Agriculture to advocate on behalf of the farming sector and help rebalance power relationships in supply chains.</p>	<p>Support</p> <p>The NSW Government is committed to supporting hard working farmers across NSW and protecting their legal rights.</p> <p>The NSW Government has committed to the creation of an Agriculture Commissioner to protect agriculture, with a focus on Right to Farm and farm trespass issues.</p> <p>The NSW Government has also committed to the creation of a Fresh Milk and Dairy Advocate to address issues in the dairy industry including poor prices.</p>
<p><u>Rec. 4</u> That Transport for NSW convene a taskforce to expedite the development of a plan to improve rail and road corridors for industry across the Great Dividing Range.</p>	<p>Support</p> <p>Transport for NSW established a multi-agency working group in late 2018 to deliver an integrated freight and transport regional master plan. The working group is part of a long term community-based program for Connecting the Central West and Orana that will identify and provide stewardship for short, medium and long term integrated transport solutions and support the NSW Government’s vision for the region.</p> <p>This working group will be informed by a multi-agency stakeholder engagement taskforce that sought feedback during late 2018 from stakeholders on issues relating to improving connectivity for the Central West and Orana, including through the Blue Mountains.</p>
<p><u>Rec. 5</u> That the NSW Government establish an environmental trust that provides incentives to producers and others in the supply chain to divert consumable foods from landfill towards food relief programs, such as by meeting transport costs.</p>	<p>Support in principle</p> <p>As part of the NSW Environment Protection Authority’s (EPA’s) Waste Less, Recycle More initiative, the NSW Environment Trust provides grants of up to \$500,000 to food relief agencies for food donation infrastructure to increase the capacity of food relief agencies to handle more donated food. So far, \$3.5 million has been allocated to 22 projects to collect and redistribute 7,500 tonnes more surplus food in NSW each year.</p> <p>Funding is not available under this program for operating costs, such as transport costs, on the principle that the grant investment must have a legacy value that will ensure the ongoing collection and diversion of food waste from landfill after the grant has been acquitted.</p> <p>The EPA-managed Food Donation Education program also provides grants of up to \$200,000 to support food relief agencies to rescue more food from donors through increased awareness and resource sharing networks.</p>

<p><u>Rec. 6</u></p> <p>That the Department of Planning, Industry and Environment consider how to further embed health and wellbeing outcomes into the broader regional planning system.</p>	<p>Support</p> <p>The Department of Planning, Industry and Environment (DPIE) has:</p> <ul style="list-style-type: none"> made changes to the <i>Standard Instrument (Local Environmental Plan) 2006</i> (Standard Instrument LEP), including a new definition for ‘neighbourhood supermarket’ to provide consistency, efficiency and clarity to the NSW planning system, rejuvenate smaller neighbourhood centres, encourage people to walk rather than use their car and increase accessibility to fresh food; and implemented Regional Plans to identify and protect important agricultural land, support investment in agribusiness, and improve planning for city and town centres to facilitate high quality, mixed-use, built environments. <p>In 2018, the former Department of Planning and Environment (DPE) released the draft <i>Urban Design for Regional NSW: A guide for creating healthy built environments in regional NSW</i> in conjunction with the Government Architect NSW. It applies to the parts of NSW beyond Greater Sydney and provides practical guidance to councils and other practitioners. Priorities in the draft Guide include integrating the natural environment, improving connectivity, walkability and cycling and increasing options for diverse and healthy living. The draft Guide provides practical advice on how principles of health and wellbeing can be applied to common planning activities. The final Guide is being prepared based on the feedback received during consultation.</p> <p>DPIE is continuing to work with councils and other stakeholders to embed health and wellbeing outcomes into strategic planning through the preparation of Local Strategic Planning Statements and other strategic planning documents for each local government area.</p>
<p><u>Rec. 7</u></p> <p>That the Department of Planning, Industry and Environment, Department of Primary Industries, Greater Sydney Commission and Office of Local Government continue to work together to ensure the protection of high quality agricultural land in peri-urban metropolitan areas and in regional New South Wales.</p>	<p>Support in principle</p> <p>The NSW Government is committed to protecting agricultural land in peri-urban areas and in regional NSW.</p> <p>The NSW Government has committed to the creation of an Agriculture Commissioner to protect agriculture, with a focus on Right to Farm and farm trespass issues. The Agriculture Commissioner will work with landowners, local government areas and NSW Government departments including the Department of Primary Industries, Department of Premier and Cabinet and DPIE to ensure land use is balanced, fair and continues to support the State’s multi-billion dollar agricultural industry.</p> <p>The Commissioner will work alongside planning authorities to strengthen standards development and zoning methods and make recommendations to government to ensure our farmers are always protected.</p>
<p><u>Rec. 8</u></p>	<p>Support</p>

<p>That the Department of Planning, Industry and Environment, Department of Primary Industries and Greater Sydney Commission continue to encourage high technology food production, including at the Western Sydney Aerotropolis.</p>	<p>The NSW Government is committed to encouraging high technology food production including at the Western Sydney Aerotropolis, particularly through the work of the Department of Primary Industries, DPIE and Greater Sydney Commission.</p>
<p><u>Rec. 9</u> That the Greater Sydney Commission and Department of Planning, Industry and Environment continue to work with councils across Greater Sydney to ensure appropriate retail planning, farmers markets and other strategies to improve access to, and availability and affordability of fresh food, especially in disadvantaged communities.</p>	<p>Support in principle The Greater Sydney Region Plan (GSRP) recognises the importance of fresh food as part of a healthy built environment and promotes local access to fresh food and supporting local fresh food production. The Greater Sydney Commission will work with councils across Greater Sydney and DPIE to develop new Local Strategic Planning Statements that are consistent with the GSRP Councils can then select appropriate zones and tailor where retail uses are permitted to ensure access to fresh food.</p>
<p><u>Rec. 10</u> That the Department of Planning and Environment work with councils across regional and rural New South Wales to ensure appropriate retail planning, farmers markets and other strategies to improve access to, and availability and affordability of fresh food, especially in disadvantaged communities.</p>	<p>Support DPIE has made changes to the Standard Instrument LEP, including a new definition for 'neighbourhood supermarket' to provide consistency, efficiency and clarity to the NSW planning system, and rejuvenate smaller neighbourhood centres and encourage people to walk rather than use their car. This change could also allow councils to improve access to and availability of fresh food, especially in disadvantaged communities. Changes to the EP&A Act in March 2018 have established a statutory role for strategic planning by local councils. Each council will prepare a local strategic planning statement (LSPS). The LSPS's will support implementation of Regional Plans for NSW and provide an opportunity for councils to identify healthy built environments and the provision of fresh food as important considerations for land use planning in their area.</p>
<p><u>Rec. 11</u> That the NSW Department of Education and NSW Ministry of Health, in liaison with Foodbank NSW and ACT and other non-government stakeholders, introduce</p>	<p>Support in Principle The NSW Government is committed to supporting the health and wellbeing of all students, including good nutrition and the provision of meals where students come to school without food.</p>

<p>an evidence based school breakfast program across New South Wales that targets schools with a high proportion of children from socially disadvantaged families, by the end of 2019.</p>	<p>The NSW Ministry of Health has made a significant investment, in collaboration with the NSW Department of Education, on state-wide, evidence-based programs in the school setting to increase the availability and promotion of healthy food and drink options through school canteens and the classroom.</p> <p>The majority of breakfast programs in public schools operate in collaboration with local agencies and often involve schools partnering with non-government organisations or local businesses to assist families in need.</p> <p>The NSW Government in Budget 2019-2020 committed an additional \$8 million to partner with Foodbank to provide school breakfasts at an additional 500 schools.</p>
<p><u>Rec. 12</u> That the Department of Education and NSW Ministry of Health investigate the need for and cost of introducing a school lunch program that targets children from socially disadvantaged families and provides emergency food relief for children suffering from food insecurity.</p>	<p>Support in Principle</p> <p>The NSW Ministry of Health has made a significant investment, in collaboration with the NSW Department of Education, on state-wide, evidence-based programs in the school setting to increase the availability and promotion of healthy food and drink options through school canteens and the classroom.</p> <p>The majority of lunch programs in public schools operate in collaboration with local agencies and often involve schools partnering with non-government organisations or local businesses.</p>
<p><u>Rec. 13</u> That the NSW Department of Education consider options to further drive the implementation of the Healthy School Canteen Strategy, to ensure that all canteens transition to becoming healthy school canteens by the end of 2019.</p>	<p>Support</p> <p>The revised Healthy School Canteen Strategy (HSCS) was launched by the NSW Premier in February 2017.</p> <p>As part of the HSCS, the NSW Government has delivered a Healthy School Canteen website, resource kit and face-to-face support for canteen managers to support and guide schools transitioning to the Strategy. The NSW Government will take further steps to drive the implementation and is focused on targeted support and communication for schools and canteens. In 2019, the NSW Government will:</p> <ul style="list-style-type: none"> ● Partner with the NSW Federation of Parents and Citizens (P&C) Association to support roll-out of the strategy to P&C run canteens. ● Provide business support to assist school canteen staff to understand how to serve a healthy menu while maintaining a profit. ● Require compliance with the Strategy as part of the licensed canteen tender process. ● Work with licensed canteen providers to assist them to manage multiple schools through the menu check process.

- Provide direct communication to canteen managers promoting resources, information and support mechanisms. Additional elements will be introduced as the Government analyses progress on a month by month basis.

Rec. 14

That the NSW Government increase its funding for food subsidy programs around New South Wales to:

- enable the establishment of more programs in metropolitan, regional and remote communities
- fully fund the transport costs associated with Foodbank donations distributed in regional communities
- support collaboration between local groups, social services, producers and small business, to identify ways to increase the local supply of donations of healthy foods.

Support in Principle

The NSW Food Program, funded by NSW Family and Community Services (FaCS), provided \$2.8 million funding towards direct transport costs of food relief activities over five years from 2013–14 to 2017–18 to three non-government organisations (Foodbank NSW and ACT, St Vincent de Paul Society NSW, and the Australian Red Cross Society). In 2018–19, FaCS is also providing \$535,000 to Foodbank to enable it to significantly grow its activities and its reach to people affected by food insecurity in NSW.

Charitable food organisations can access NSW Government funds for infrastructure through Community Building Partnership and ClubGRANTS.