

## Fruit & Vegetable Wholesalers Advisory Committee

### MARKET HOURS – FINDINGS PRESENTATION

MMA Boardroom, Epping

19<sup>th</sup> October 2016

**In attendance:** Harry Kapisris (Chair), Brett Collins, Grant Nichol, Shane Schnitzler, David Whitchelo, Matthew Elliott, Jenna Patan (Minute Taker)

**Apologies:** Joseph Manariti, Mark Maskiell, Russell Cooper

#### Methodology & Consultative Process

- Discussion sessions with the market advisory groups & with the Unloaders
- Market floor visit, 25+ phone interviews, 20 email submissions;
- Consultation with industry during other MCKINNA *et al* projects; and
- Survey of business principals.

#### Gate Entry Data: F&V Buyers

Average visits over the first 12 months of trade indicate that over 2,800 vehicles access the market each week day. Thursday is the busiest trading day so this has been used as the benchmark day throughout this report

The market services between approximately 450 to 650 fruit and vegetable buyers per day during the week (not including those with on-site warehouses). The vast majority of F&V buyers enter close to official opening. Most leave before 7am to beat the peak hour traffic. 81% of buyers visit at least once a week.

#### Survey Response Rate

A total of 267 valid responses were received, representing a relatively poor response rate (9%). F&V buyers had the highest number of responses, but storeholders had the highest response rate (23%).

Business Type	Total businesses	Compliant responses	Response rate
FV Store holder	108	20	19%
FV Stand holder	194	35	18%
FV Buyer	1242	104	8%
Flower Stand holder	65	13	20%
Flower Buyer	728	46	6%
F/FV Buyer	28	2	7%
Market Related Bus	162	7	4%
Produce Delivery	308	7	2%
<b>Total</b>	<b>2,972</b>	<b>234</b>	<b>8%</b>

#### Survey Results

In the fruit & vegetable market, the general positions remain with buyers and standholders arguing for an earlier start and the majority of storeholders seeking the 6am start option. When the 'no change' and '3.30' options are added together, a more compelling picture emerges with 45% of F&V buyers and 43% of flower buyers within this zone.

#### Report Recommendations & Rationale

RECOMMENDATION:		RATIONALE:
1.	Opening hours of 3.30am to 7am every day for both produce and flower markets (excluding Saturday flower market)	<ul style="list-style-type: none"> <li>• Consideration was given to the 24 hour fresh produce supply chain and this option provides the best outcome for the customer/consumer need.</li> <li>• The scan data and survey data indicated a strong preference for an early start time and the consultation preference for a same start time everyday was compelling.</li> <li>• Peak hour traffic at 6.30am was a key consideration</li> </ul>

		<ul style="list-style-type: none"> <li>• Same time for both markets ensures equal access for flower buyers</li> </ul>
2.	Retain 2am entry for country buyers for collection of pre-orders only and with stronger enforcement of penalties for early trade	<ul style="list-style-type: none"> <li>• Enables these cohorts to service their particular customer needs (cafes, restaurants and regional retail outlets)</li> <li>• Reduces peak congestion</li> <li>• Enables time for unloaders to get product to stores / stands</li> </ul>

Key discussion points:

- The 9% response rate is disappointing and could indicate that trading hours are a low priority to market users
- No agreement that moving to a later market would result in less retailers visiting the market, retailers would adapt to changing conditions of entry.
- All agree that all buying is completed before 7am with majority of retailers exiting the market by 7.30am
- The Unloaders will have more pressure on them if an earlier market is agreed to
- There is no need to move to an earlier market on Tuesday / Wednesday as they are slower trading days
- All agree that there is better efficiency here at Epping, you can move greater volumes of produce much quicker than at West Melbourne
- Wholesalers and Fresh Sate would still like to work towards a later market and would be willing to commence discussions with the retailers to understand how this could be mutually beneficial to both groups

Further discussion on Enforcement of no early access:

- The MMA need to enforce no buying pre-trade, either at the gate or within the buyers walk area with additional resources. Trading hours should be published and enforced so that no one is disadvantaged for doing the right thing.
- The MMA need to ensure that the access card system is not being manipulated by opportunistic buyers looking to gain access earlier than they are entitled to; if anyone is caught not following the buying rules then the consequence should be that any early access granted should be revoked.
- The advisory agree that enforcement measures in Brisbane and Perth are highly successful and there appears to be minimal early buying.

The Advisory Committee RECOMMENDED the following:

- Fresh State will not accept an earlier trading environment, if hours are to be earlier then Fresh State will formally withdraw from future consultative processes
- Preference is for the opening hours to be 4.30am – 7.00am every day for all buyers
- Retain 2am entry for Country Buyers
- If hours are to remain the same, the Advisory will only support this if published trading hours are enforced.