

# Food for All

Address to Learning from the Field Forum



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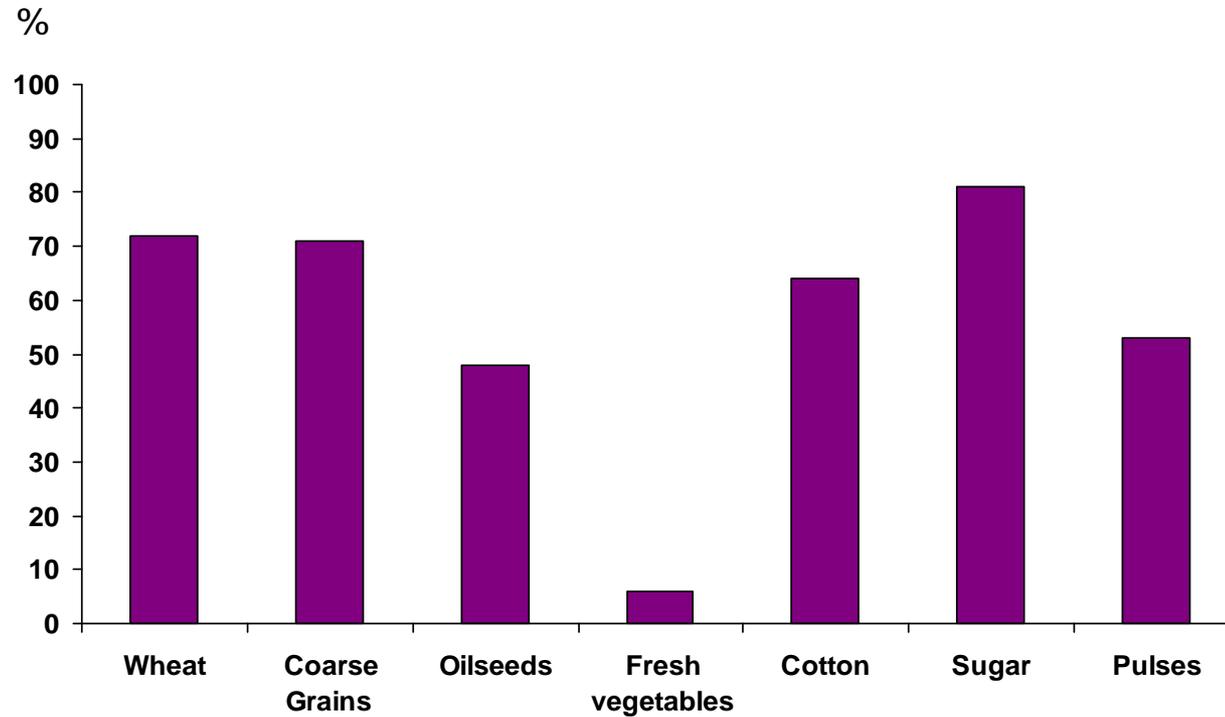
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# Snapshot of the Australian Vegetable Industry

- The vegetable industry is Australia's fourth largest agriculture industry with production valued at \$2.83 billion.
- The industry is 40% bigger than the wool and lamb industries, more than double the size of the wine and poultry industries, and almost triple the size of the sugar and cotton industries.
- There are approximately 6,500 growers with 5,000 deriving the majority of their income from vegetables but numbers are in decline.
- 20% of growers produce vegetables undercover with cucumbers, tomatoes and capsicums the major crops
- Two states Queensland (33%) and Victoria (22%) produce over half the national crop by value.
- Tasmanian producers are more focused on producing vegetables for processing and Western Australia for export than the other States.

# The Australian vegetable industry unlike most other agricultural industries is domestically focused

Exports as a % of production- major crops



Source: Australian Bureau of Agricultural and Resource Economics; Australian Bureau of Statistics

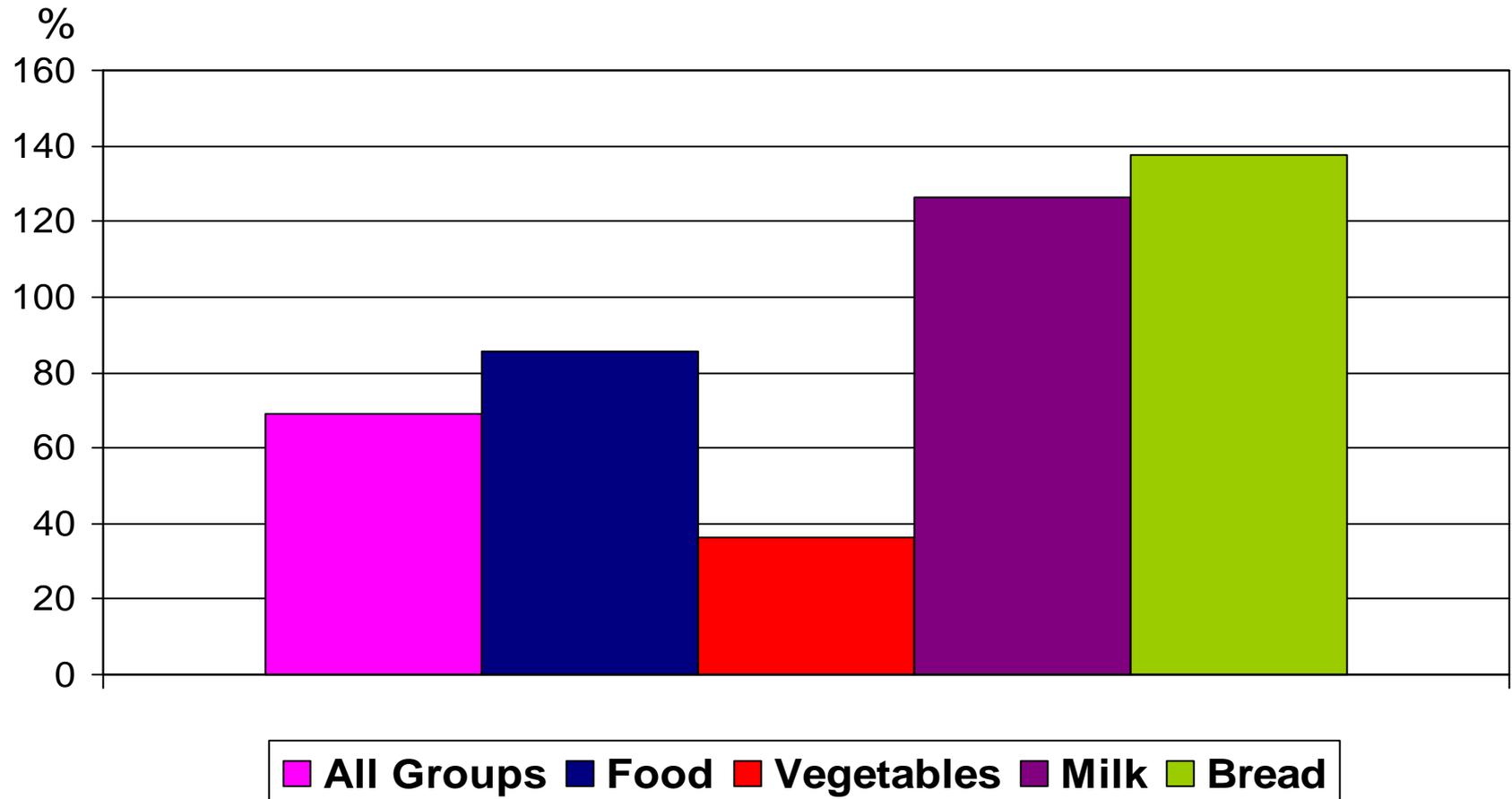
# Food Insecurity

Community or Household?

A Vegetable Growers Perspective

# Vegetables are dirt cheap

% increase in retail prices September 1989 to June 2008



Source: Consumer Price Index ABS Cat. No. 6401.0 June 2008

# Supply of cheap nutritious vegetables is not a problem

- Vegetable growers can provide endless supplies of vegetables at cheap prices.
- But often vegetable growers fail to cover costs of production.
- In the June quarter vegetable prices fell but input costs, especially fertilizer, but also fuel and water continue to sky rocket.
- Vegetable growers operate in a classical economics free market where the market determines price.
- If anything vegetable growers are squeezed between a concentrated retail sector and near monopoly control over inputs.

## The challenges – Has VicHealth got it wrong?

- Vegetables are cheap and readily accessible.
- There is not a problem on the supply side - demand is the issue.
- Despite go for five the message is not getting through to consumers especially the disadvantaged.
- Vegetables are not sexy.
- Health authorities need to work closely with the vegetable industry to promote cultural change in order to tackle the problem of growing obesity and declining health.