

Food for All

Address to Learning from the Field Forum



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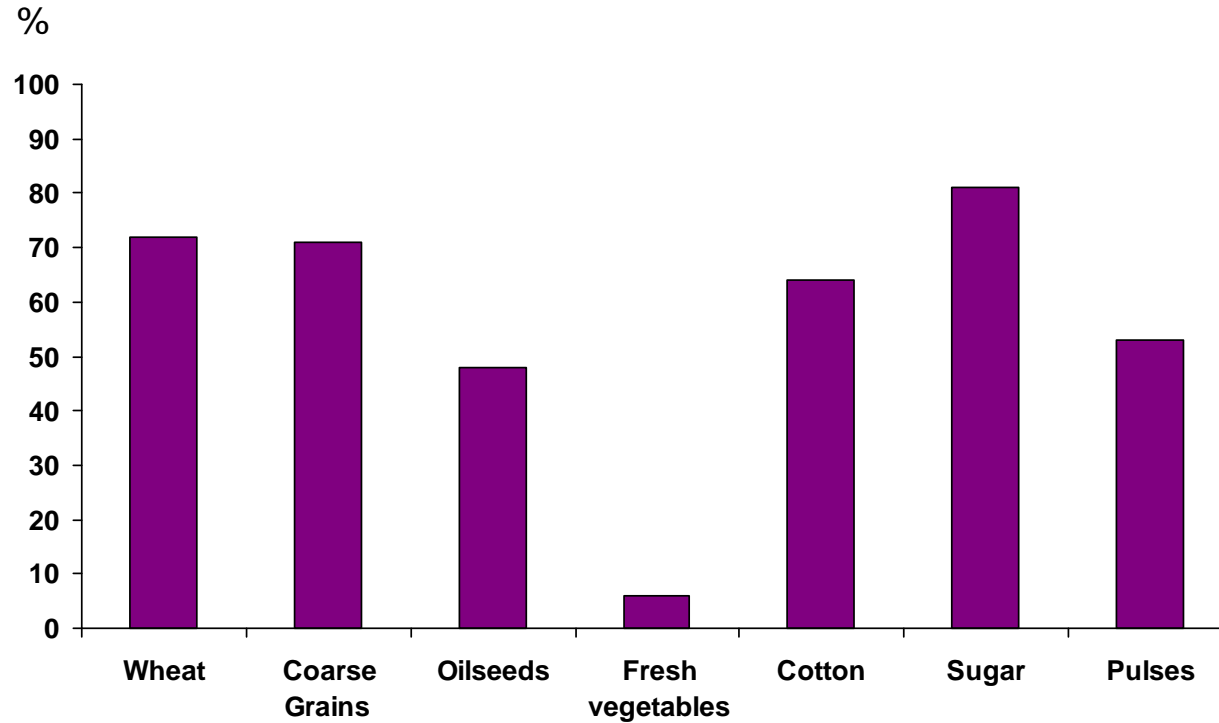
August 1, 2008

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

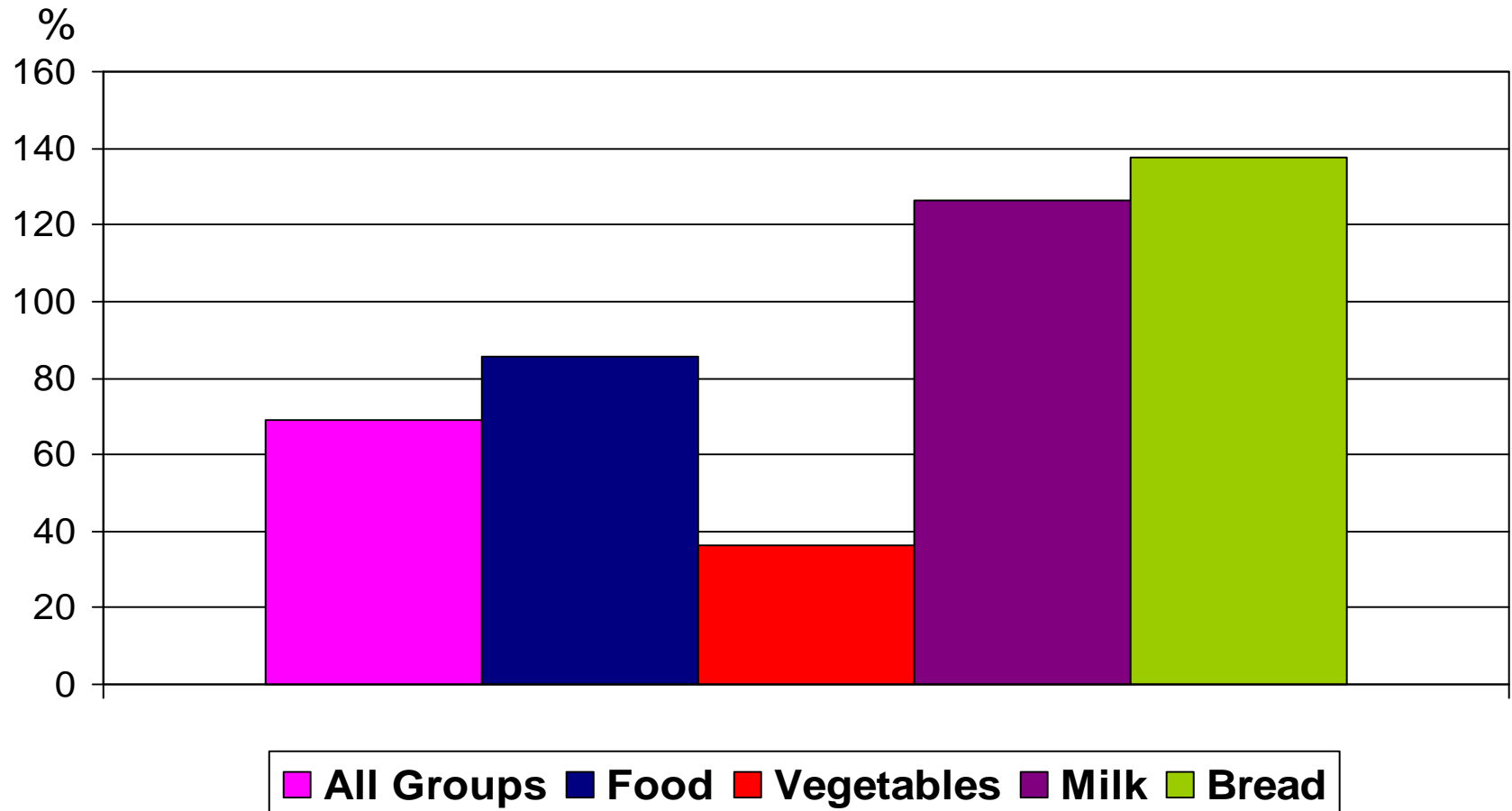
Food Insecurity

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.