

**1. Overview**

Australia's horticulture industry comprises fruit, vegetables, nuts, flowers, turf and nursery products. The industry is labour intensive and mostly seasonal. It comprises mainly small-scale family farms—however, there is a growing trend towards medium to larger scale operations. Australia's horticulture industry has long enjoyed a domestic and international reputation for quality—primarily due to our high standards across all stages of the supply chain, from farm to consumer.

In 2009-10 Australia's horticultural industry was the nation's third largest agricultural industry—based on gross value of production. The horticultural industry contributes significantly to the prosperity of people living in rural and regional Australia. There are 63,300 people employed in Australia to grow fruit, vegetables and nuts for the domestic and export markets. A further 9,800 are employed in fruit and vegetable processing (excluding wine manufacturing) (source: DAFF Australian Food Statistics 2009-10).

The value of production for annual and perennial horticultural crops are approximately equal, with the total area under production in Australia around 250 000 hectares.

The major horticulture growing areas in Australia include the Goulburn Valley of Victoria; the Murrumbidgee Irrigation Area of New South Wales; the Sunraysia district of Victoria/NSW; the Riverland region of South Australia; northern Tasmania; southwest Western Australia and the coastal strip of both northern New South Wales and Queensland. Nursery production generally occurs close to the capital cities. Some horticultural produce from the southern states is directed to processing. Queensland vegetables typically supply the southern states during the cooler June to October period.

Banana, pineapple, mandarin, avocado, mango, fresh tomato, capsicum, zucchini and beetroot production is concentrated in Queensland; stonefruit, oranges and grapes in New South Wales, Victoria and South Australia; processing potatoes in Tasmania; fresh pears, canning fruit and processing tomatoes in Victoria; and apples and fresh vegetables in all states.

Australia has a significant tropical horticultural industry including large irrigation schemes in the Ord River in Western Australia and the Burdekin River in Queensland. Bananas, mangoes, avocados, papaya, lychees, cucurbits (rockmelons, watermelons, pumpkins) together with tropical nursery plants and vegetables are important industries. There is also a growing "rare and exotic fruit" industry producing fruits such as: rambutans, durians, tamarillos, carambolas, jackfruit and mangosteens.

**2. Production Statistics**

In 2009-10 Australian horticulture had a gross value of production of \$8.407 billion, ranking third behind the meat and grain industries. The major product groups had the following gross value of production in 2009-10: fruit and nuts \$4,060 million; vegetables \$3,023 million; nursery, flower and turf production \$1,324 million (source ABS 7503).

The GVP of major individual commodities in 2009-10 were: grapes \$1,110 million; potatoes \$614 million; bananas \$488 million; apples \$402 million; tomatoes \$347 million; oranges \$303 million; mushrooms \$236 million; strawberries \$212 million; onions \$180 million; and carrots \$176 million (source ABS 7503). ABS did not publish values for some crops for which values in 2008-09 were: lettuces \$187 million; and melons \$159 million.

### 3. Trade Statistics

Australia has a trade surplus in fresh vegetables (that is, the value of exports exceeds the value of imports). However, because of high imports in the processed, frozen and other sectors, overall Australia had a “trade deficit” in 2010-11 for fresh and processed fruit, nuts and vegetables of \$697 million.

#### Value (millions of dollars) of imports and exports of horticultural commodities

		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
<b>Imports</b>	Fruit & Nuts	741	846	928	991	943	1022
	Vegetables	528	621	731	842	744	786
	<b>Total</b>	<b>1269</b>	<b>1467</b>	<b>1659</b>	<b>1833</b>	<b>1687</b>	<b>1808</b>
<b>Exports</b>	Fruit & Nuts	829	774	760	898	778	651
	Vegetables	365	410	384	397	372	460
	<b>Total</b>	<b>1194</b>	<b>1184</b>	<b>1144</b>	<b>1295</b>	<b>1150</b>	<b>1111</b>

(source: ABARES: *Agricultural Commodity Statistics 2011, Table 134*)

In 2010-11 Australia exported \$1.111 billion of fresh and processed fruit, nuts and vegetables. Export of fresh produce (particularly fruit) is limited by quarantine restrictions in a number of countries including Japan, USA, mainland China, South Korea and Taiwan.

In 2010-11 Australia imported \$1.808 billion of fresh and processed fruit, nuts and vegetables. A wide range of fresh produce is prohibited from entering Australia on the basis of quarantine restrictions. Produce is imported into Australia out of season or during periods of domestic shortage due to production failures, an inability to produce the commodity and/or production shortfalls relative to demand.

### 4. Horticulture Australia Limited (HAL)

HAL, an industry-owned company, was established in 2001 to help Australia’s horticultural industries achieve their full potential through research and marketing. HAL’s shareholders (who are the peak horticultural bodies representing growers) have responsibility for the company’s strategic direction and activities.

The budget for HAL in 2010-2011 was \$102.0 million, with its expenditure on R&D programs \$72.3 million (including Australian Government matching funds) and expenditure on its marketing programs \$12.5 million. The Australian Government matches statutory and voluntary industry contributions paid to HAL for R&D, up to 0.5% of the GVP of the horticultural industry (excluding the GVP for wine grapes).

**For more information visit HAL at [www.horticulture.com.au](http://www.horticulture.com.au)**

### 5. The Office of Horticultural Market Access

The Office of Horticultural Market Access (OHMA) was established in 2009 to improve the opportunities to open new markets for Australia’s horticulture industry. OHMA builds on the work of the Horticultural Market Access Committee (HMAC) which was previously responsible for advising on market access applications for Australian Government negotiations with international governments in target markets.

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## **6. Rural Industries Research and Development Corporation**

The Rural Industries Research and Development Corporation (RIRDC) helps small and emerging agricultural industries organise and invest in R&D. RIRDC invests R&D for industries not covered by HAL. The Government contributes approximately two thirds of RIRDC's funding each year.

**For more information visit RIRDC at [www.rirdc.gov.au](http://www.rirdc.gov.au)**

## **7. Horticulture Code of Conduct**

The Trade Practices (Horticulture Code of Conduct) Regulation 2006 came into force on 14 May 2007. The objective of the code is to improve the clarity and transparency of transactions between growers and wholesalers of fresh fruit and vegetables. The code is mandatory under the *Competition and Consumer Act 2010* and is enforced by the Australian Competition and Consumer Commission.

**For more information visit ACCC at [www.accc.gov.au/industrycodes](http://www.accc.gov.au/industrycodes) and the Horticulture Mediation Advisor at [www.hortcodema.com.au](http://www.hortcodema.com.au)**