



2017

Country Profile: Australia

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Producer country file

The avocado in Australia

by Eric Imbert — Our sincere thanks to Avocado Australia for its information

Although with a low profile internationally, the Australian Hass avocado industry is the world number six. Its production is registering clear growth, approximately 66 000 t in 2016-17, and is sold nearly entirely locally. The industry has set itself the objective of basing its future growth on an import-substitution policy, thanks to the very wide production calendar of this vast territory, and on developing diversification exports to the high added-value Asian markets.



© Dep. of Agriculture - Western Australia

Avocado – Australia

Location

60 % of Australian avocado production comes from the country's East Coast, with its subtropical climate (Queensland and New South Wales). There are two distinct main areas. The region south of Cairn in Far North Queensland, with hot and wet summers and warm winters, provides approximately 20 % of the national harvest (especially the Atherton Tableland). The central coastal part, with its more temperate winters, produces approximately 40 % of the country's volumes in a zone ranging from the Centre-south of Queensland to the northern part of New South Wales. From north to south, we can list the Bundaberg region (Central Queensland - Wide Bay of Burnett), Sunshine Coast, the Toowoomba/Lockyer Valley situated a hundred or so kilometres inland, the Mount Tamborine area (south of Brisbane) and the New South Wales orchards extending mainly as far as Coffs Harbour. There is also some production based in the cooler zones further south, up to north of Sydney. The country's other main production area (37 % of the national harvest) is located on the West Coast, concentrated in the southern tip of the state of Western Australia. There are three distinct major zones, with a warm Mediterranean to more temperate climate: Perth, to the east and north of the city (Gingin/Carabooda), South West (tip around Busselton) and Great Southern (Pemberton/Manjimup inland). The rest of the cultivation area is located on the Murray River, in the "tristate" zone, where the states of South Australia (Lowbank), Victoria

and New South Wales meet. This geographic spread means that the production calendar is staggered year-round (approximately ten months for Hass). The soils are varied, ranging from deep basalt in northern New South Wales and the plateaux of Queensland to the sandier, better-draining soils in the Western Australia region and south-east Queensland. The pedoclimatic conditions entail rigorous management of Phytophthora, anthracnose and scale insects. There are some large production facilities, such as Simpson Farm (25 % of production), Jasper Farm (approximately 15 %) and the Costa group. Nonetheless, the majority of production remains in the hands of small to medium-sized facilities (800 producers in 2015-16).

Avocado – Australia – Planted area in 2016 (in hectares)

North Queensland	1 689
Central Queensland -> New South Wales	4 223
Central Queensland	2 450
Sunshine Coast	187
South Queensland	691
Tamborine / North Rivers	229
Central New South Wales	666
Tristate	562
Western Australia	1 630
Total	8 107

Source: Avocado Australia



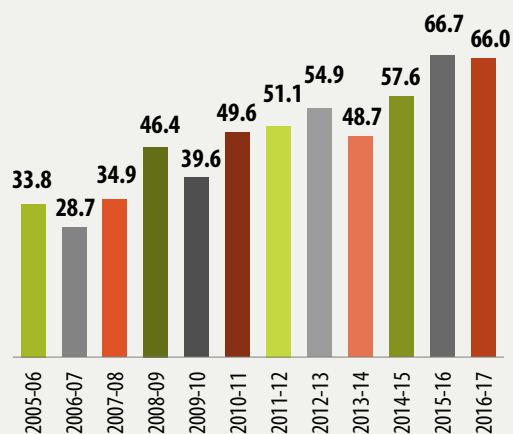
Avocado – Australia

Production

The avocado was introduced in the mid-18th Century. However, the first commercial plantations were only established after the introduction of Californian varieties in the late 1920s, in the subtropical part of the East coast. Production remained small-scale (less than 1 000 t) until the late 1970s. Better management of *Phytophthora* (which had decimated the stock in 1974) and lucrative prices helped the crop recover in the 1980s. Planting, which was reined back for a while in the early 1990s by the fall in prices due to increasing production, surged once more in the mid-1990s with the first promotions for the product. Production has doubled over the past decade, reaching 66 000 t in 2016-17. It has made particularly considerable progress in North Queensland and Western Australia, which both have a favourable commercial window in terms of import-substitution. The industry's representation and technical & marketing support is provided by Avocados Australia Limited (AAL – formerly the Australian Avocado Growers Federation). A parafiscal tax levied by Hort Innovation on each box sold is used to fund research & development actions, as well as marketing and conversion support (total budget 3.4 million euros in 2015-16). The industry defined a new strategic plan for 2017-2021 (budget 20 million euros), which takes into account both the planned development of Australian production (100 000 t expected by 2025), the country's high production costs and the increasing competition on the local market (New Zealand production developing, probable entry of new suppliers in the medium term, including Mexico). Avenues for development are improving quality (with 20 % of fruits still exhibiting significant internal faults), increasing local consumption (+ 20 % by 2021), improving yields and yield regularity, and developing exports to the high added-value Asian markets (targeting 10 % of production in 2021).

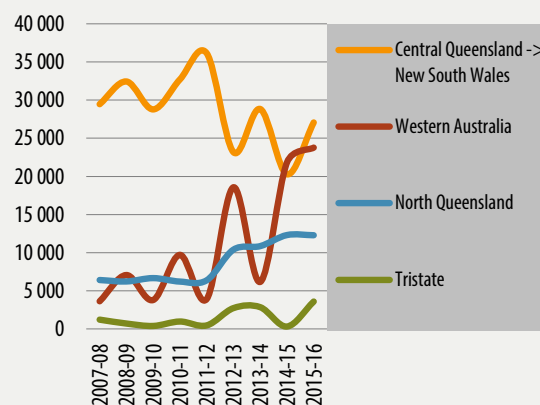
Avocado - Australia - Production

(in 000 tonnes / source: AAL)



Avocado - Australia - Production by region

(in tonnes / source: AAL)



Avocado – Australia



© Avocado Australia - Bundaberg Queensland

Production calendar and varieties

The geographic spread of the cultivation area means that production is well staggered. Hence Hass, a variety which represents nearly 80 to 85 % of production, is produced from mid-April (northern Queensland) to mid-February (southern Western Australia). The harvest is highest from June to December, with a marked peak from September to November. Shepard, an Australian selection well-suited to warm regions, is the country's other main variety, representing 10 to 15 % of production. It is found above all in northern and central Queensland, and supplies the market at the very beginning of the season (February to April). The range is supplemented by some Reed, Lamb, Hass, Wurtz, Gwen and Sharwill plantations.



© Jasper Farm

Hass avocado – Australia – Harvest calendar

Production zones	J	F	M	A	M	J	J	A	S	O	N	D
North Queensland - Atherton												
Central Queensland - Bundaberg												
Sunshine Coast												
Tamborine												
New South Wales - Lockier/Toowoomba												
Tristate												
Perth												
South West Western Australia												

Source: Avocado Australia

Avocado – Australia

Outlets

More than 90% of production is consumed fresh on the Australian market. Local demand has seen strong development since the mid-1990s, with volumes consumed per capita tripling in ten years to reach 3.5 kg in 2016-17. The avocado has become a family product, purchased by 56 % of households (2015) thanks to the promotions funded by professionals via a parafiscal tax managed by AAL and Hort Innovation. The budget, of approximately 2 million euros in 2015-16, provides access to all the big media channels, including television.

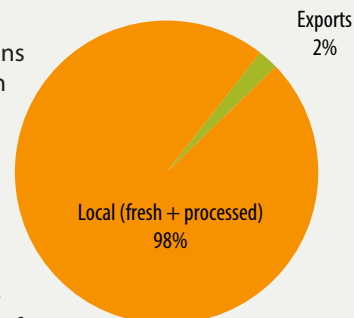


Communication is focused on knowledge of the product, culinary advice and nutritional aspects. Approximately two-thirds of fruits are sold by the supermarket sector, with the

country's two main chains (Coles and Woolworths) on their own selling 50 % of volumes. They are followed in the rankings by retailers specialised in fruits and vegetables (small traders and markets) and the catering sector, with 21 % and 10 % of sales respectively. Pre-ripened fruits represent 85 % of sales. Local production is identified by the Kangaroo label. The processing sector is relatively underdeveloped (2 300 t in 2014-15), but highly diversified (pulp, oil for cosmetics and human consumption). Exports are still negligible, but this is a strategic avenue.

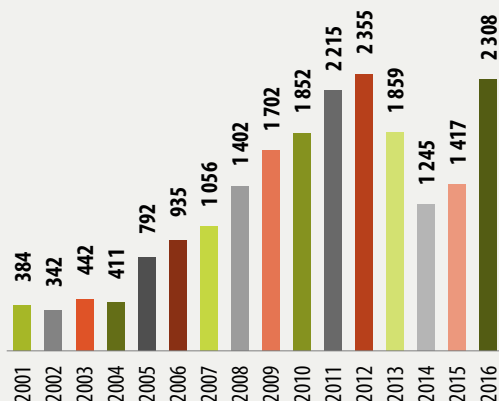
Avocado - Australia - Outlets

(source: AAL)



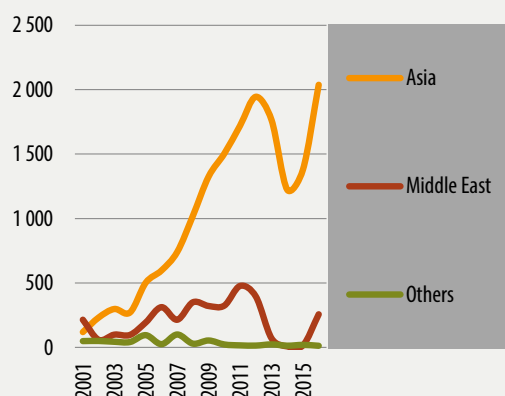
Avocado - Australia - Exports

(in tonnes / source: Comtrade)



Avocado - Australia - Exports by destination

(in tonnes / source: Comtrade)



Exports

Australian exports remain minor (approximately 2 300 t in 2016, i.e. nearly 3 % of production). Asia is by far the country's main export destination (approximately 90 % of volumes), the main recipients being Singapore, Malaysia and Hong Kong. These markets complement the local market very well, since they mainly take small fruits which are unpopular in Australia. Some volumes are also aimed at the Middle East (Kuwait, United Arab Emirates). Exports are now considered a strategic outlet, and one which is set to develop (targeting 10 % of production in 2025). Australian operators, handicapped by high production costs, primarily target the developing and high added-value Asian markets. Access protocols with China, Japan and Thailand are under negotiation. The majority of volumes are exported by two cooperative entities: Avocado Export Company (Auspak brand) and Sunfresh. Exports are made primarily by air-freight, given the paucity of volumes handled.