

Organic tops the chart for highest employment growth forecast

BIOLOGICAL FARMERS OF

AUSTRALIA (BFA) says that the recent predictions of massive growth for the organic industry reflect data and trends identified in ongoing market research commissioned by industry.

Independent global industry researcher IBISWorld has tipped organic farming to be a front-runner in the areas of revenue and employment in Australia, reflecting similar trends in the US, Europe and other countries.

In its report on the "top 10" growth industries, IBISWorld states that organic farming revenue is poised for a great leap forward, increasing by 14.8% in 2010, raising revenue value to \$430 million and positioning organic farming in Australia's top two growth industries. In the next five years revenue is expected to grow at an average rate of 13.4% per year, reaching approximately \$760 million in 2014.

IBISWorld General Manager (Australia), Mr Robert Bryant, says that "While on average organic goods remain more expensive than non-organic produce, higher disposable incomes, coupled with increasing awareness of environmental sustainability and an increase in the range of organic produce available, will see continued growth in this industry. ...recent studies suggest it is more resilient and adaptable to changing conditions wrought by climate change - encouraging some farmers to switch from conventional to organic farming."

In a separate IBISWorld report, organic farming, as an employer, is forecast to be the number one leading industry of employment growth within five years, increasing 3.1% in 09/10 to 11.2% by 2013-14. This growth will bring with it employment opportunities for farmers, farm-hands, skilled and unskilled

IBISWorld's "Top 10" Growth Industries for 2010

Position	Industry	Growth 2010	Revenue 2010 \$billions
1	Sugar Manufacturing	15.9%	3.11
2	Organic Farming	14.8%	0.43
3	Oil & Gas Production	13.8%	37.35
4	Institutional Building Construction	12.0%	9.40
5	Insulation Services	11.8%	1.13
6	Health Insurance	10.3%	14.56
7	Alternative Health Therapies	5.1%	3.36
8	Online Shopping	4.7%	20.00
9	Weight Loss Services	4.6%	0.77
10	Baby Products	3.3%	4.17

labourers and itinerant workers as well as ecologists, biodynamic farming specialists and researchers.

That organic production is on the crest of a wave comes as no surprise to Holly Vyner, General Manager of the Biological Farmers of Australia.

"We have been watching steady growth in organics for some time now," she says. "BFA-commissioned research in 2008 reported retail sales overshooting the half billion mark (AU \$0.6 billion) and an 80% growth in farm gate sales over four years despite widespread drought. Organic farmers are, on average, younger than non-organic farmers, which augurs well for future organic farming growth."

Ms Vyner goes on to say that the soon-to-be-released 2010 Australian Organic Market Report, independently researched by University of New England on behalf of BFA, will build on 2008 data and will provide an

important yardstick for measuring organic industry growth over the past two years.

"It will provide industry members and potential new entrants with an essential guide to trends and opportunities in various sectors within the organic industry," she says.

Dr Andrew Monk, BFA Director and Standards Convenor, says that marketplace supply chain capacity is increasing to cope with the expanded demand for and supply of organics, with a growing number of larger retailers seeking out and stocking increased ranges of organic produce.

"In tandem with this has been the growth in popularity of organic farmers market stalls and smaller, local retail, as consumers become better educated on the value of organics," he says.

"There will be a challenge in developing and nurturing the skills necessary for wide-scale food production and value adding under organic parameters," Dr Monk says. "The success of courses such as the certified organic program at the Riverina Institute of TAFE tells us that those skills can be taught but require a significant change in mindset from non-organic farming education and practices. Properly administered, the organic process - agriculture in particular - requires unique sets of skills which can't be learnt overnight. Now is the time to start."

Resources

Ibis World: www.ibisworld.com.au/pressrelease/pressrelease.aspx?prid=212

Ibis World: Opting for Organic; IBISWorld Industry report X0013 - Organic Farming

Australian Organic Market Report 2008: www.bfa.com.au/index.asp?Sec_ID=259

IBISWorld's "Top 10" Employment Growth Industries for 2010

Industry	Employment Growth			
	2009-10	2010-11	2012-13	2013-14
Organic Farming	3.1%	2.0%	6.2%	11.2%
Investment Banking & Securities Brokerage	3.0%	5.0%	7.0%	10.0%
Mining: Nickel Ore Iron Ore	-19.6% 2.9%	2.0% 4.9%	1.5% 6%	9.6% 7.7%
Online Information Services	3.6%	7.1%	7.1%	7.1%
Child Care Services	0.2%	4.3%	5.1%	6.1%
Veterinary Services	1.5%	4.0%	5.0%	5.0%
Financial Planning & Investment Advice	-2.4%	-1.8%	4.2%	4.1%
Accounting Services	-1.6%	2.9%	4.0%	4.0%
General Hospitals	3.5%	3.5%	3.5%	3.5%
Biotechnology	1.8%	1.6%	3.0%	3.2%