



Market report: Horticulture

AS AT OCTOBER severe weather conditions and an expectation of end-of-season shortages are translating to rising market prices.

A low availability of local produce will continue to strain the supply chain until new harvests reach the market in the New Year.

Price rises due to light supply are particularly evident in broccoli, brassicas and brown and white onions. Potatoes are also expected to become sparse from November to December.

Wholesalers are looking further abroad to fill gaps in supply, and fluctuations in staples are frustrating end-user retailers and restaurants, which are unwilling to stock organic product without assurance of consistent supply.

The market price of conventional crops has also increased and the margin between organic and non-organic produce is lessening.

Wholesalers in Western Australia are looking forward to a healthy stone fruit and vegetable season on the basis of current temperature and rainfall conditions.

Eastern Coast wholesalers retain more cautious predictions due to very low grower water quotas of around 15 per cent.

Mangoes are now coming into season, with crops available from the Northern Territory at around \$40 a tray.

Reports from WA also suggest strong back-to-grower prices for avocados (\$35 a tray), asparagus (\$42 for 5kg), corn (\$1.40 per piece), cucumbers (\$2 each) and string beans (\$70 per 5kg); again with limited supply.

CROP	\$ PRICE (AVERAGE)	\$ PRICE RANGE
Apples	2.8 per kg	2.5 – 3.3 per kg
Bananas	2.4 per kg	1.3 – 2.3 per kg
Valencia Oranges	2.6 per kg	1.4 – 3.6 per kg
Broccoli	6.08 per kg	6 – 6.25 per kg
Carrots	2.8 per kg	2.4 – 3.4 per kg
Lettuce	1.6 per head	1.2 – 2 per head
Onions	3.2 per kg	2.4 – 4 per kg
Potatoes	1.97 per kg	1.5 – 2.4 per kg
Tomatoes	6.6 per kg	5 – 9 per kg
Zucchini	4.5 per kg	4 – 5 per kg

*NB: Prices were current at end October 2007 and are intended as a guide only.

Livestock*

THE EAST COAST DOMESTIC price for milk to two tooth beasts of 180 to 270kg dress weight is \$4.50 per kg.

Exports are similar, with prices for a heavier weight of milk to four tooth beasts of 280kg and over dress weight also \$4.50 per kg.

Lamb sits at approximately \$5 per kg on both domestic and export markets at 18 – 23kg dress weight.

The volume of lamb available to market exceeds demand. This is a direct result of the drought, with most producers eager to turn stock off early given the high cost of keeping weights buoyant on organic supplement feeds.

Pressure on lamb prices has intensified on the export market with the continued fall of the US dollar. The stronger exchange rate makes Australian imports less attractive to

US importers and this situation should be monitored closely.

The supply of organic beef compared to market demand is not disproportionate, and there is no current evidence of oversupply to market.

Oversupply in either lamb or beef will see a greater emphasis placed on quality. Those with a high standard of meat will be able to move and those without will have difficulty.

It is likely some organic lamb will end up being sold on conventional markets, however if rain is received in the New Year the situation will reverse, with demand rising higher than available supply.

In South Australia and Victoria logistics continues to be an issue with producers reliant on large buyers who order stock in quantities high enough to make remote area transport costs feasible.

Producers have additionally raised concerns over a lack of commercially viable organic products for sheep lice and fly strike.

*NB Prices were current at end October 2007 and are intended as a guide only. Market predictions are also intended as a guide based on information supplied in October.

TYPE (KGs ARE DRESS WEIGHT)	\$ PRICE (PER KG DRESS WEIGHT)
Domestic Beef (180 – 270kg)	4.50 per kg
Export Beef (280kg and over)	4.50 per kg
Domestic & Export Lamb 18 – 23 kg	5 per kg
Pork	6.80 per kg
Mutton	2 per over hook dress weight