

Vegetable Spotlight – Cauliflowers

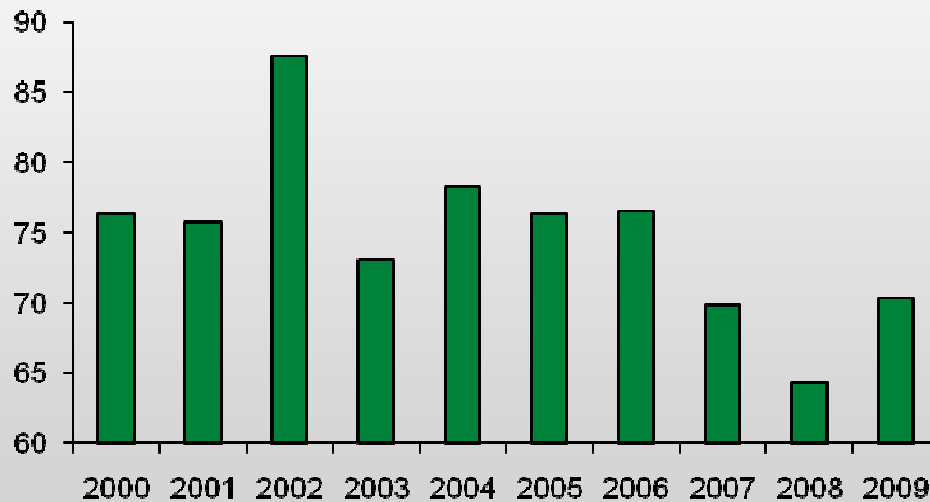
Snapshot

- Cauliflowers are Australia's 18th largest vegetable crop in terms of value, accounting for 1.7% of total vegetable production with a gross value of \$49.8 million in 2009.
- Production volumes, value and area planted all rose in 2009 after a record low this century in 2008.
- The area planted has fallen in six of the past eight years, with a cumulative decline of 27% between 2001 and 2009.
- Cauliflower growers increased yields significantly between 2003 and 2006. This upward trend was not sustained in 2007, but there was some recovery in 2008 and 2009.
- Queensland and Victoria were the largest producers with shares of national production of 28%.
- The number of cauliflower growers fell slightly in 2009 to 348 compared to 357 in 2008.
- Australia runs a small positive balance of trade in cauliflower. Imports are negligible.
- Exports have collapsed since the early years of this century due to the loss of South East Asian markets to Chinese competition

Production

National Production

Tonnes ('000s)

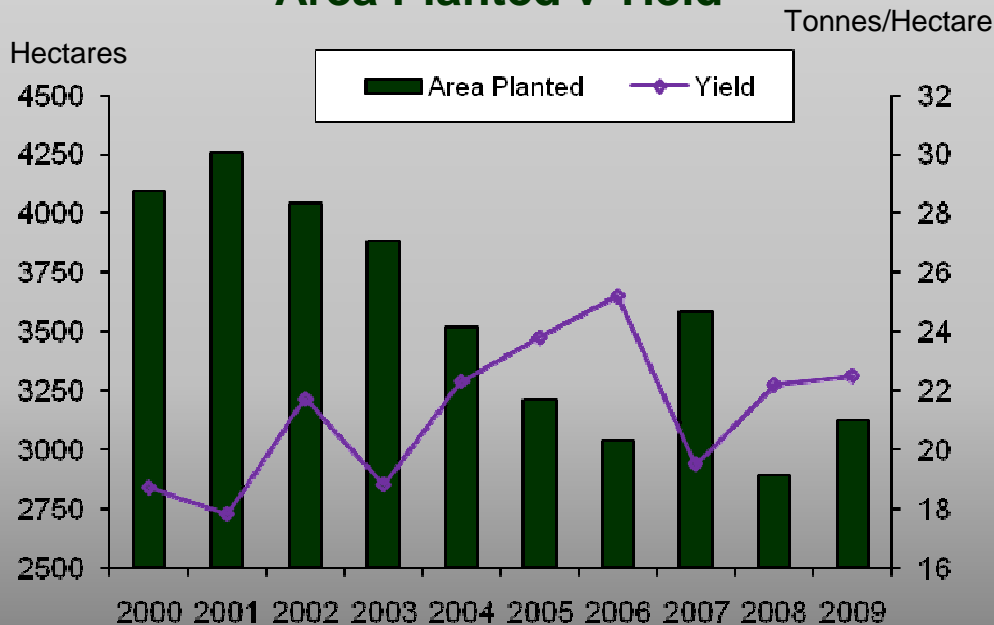


The Australian Bureau of Statistics employed a new methodology in collecting data for the 2005/06 Agricultural Census. As a result, the data generated from the census – such as production volumes, area planted and yields – are not directly comparable to historical statistics. Readers should use this material with caution.

Current Australian Cauliflower Production

- Australian cauliflower production in 2009 recovered from the lowest level of production this century in 2008 rising 9% to 70,286 tonnes.
- The production rise was assisted by an 8% rise in the area planted in 2009 to 3,121 hectares.
- Yields rose by 1% in 2009, to 22.5 tonnes per hectare, the second annual increase since a sharp decline in 2007.

Area Planted v Yield

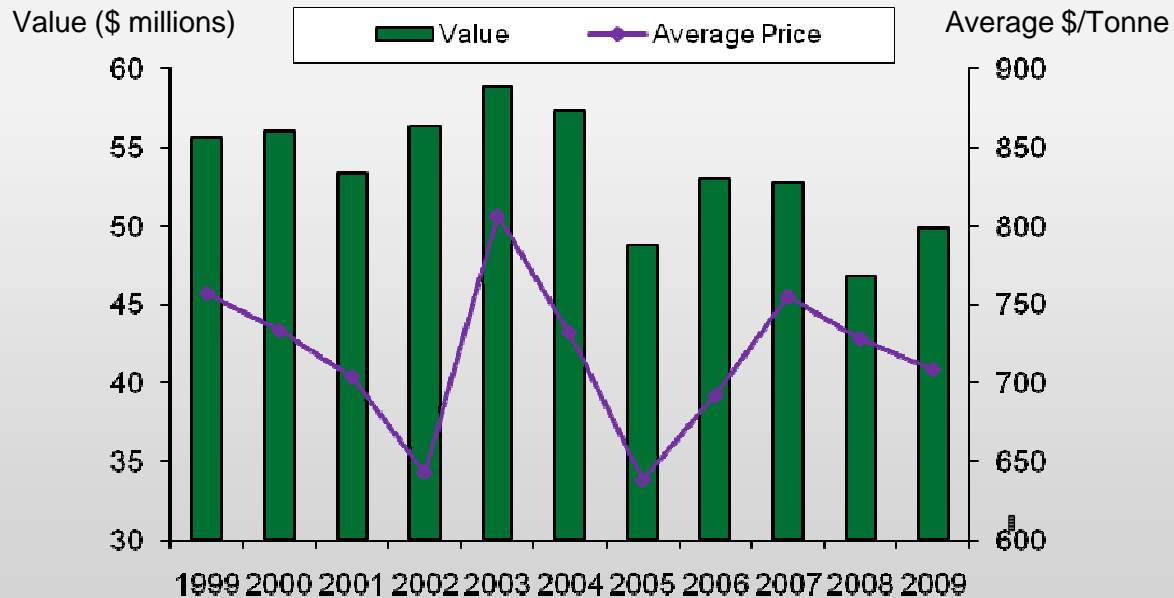


Long Term Production Trends

- Cauliflower production in Australia declined by 20% in cumulative terms between 2002 and 2009.
- The area planted has fallen in six of the past eight years with a cumulative fall of 27% since 2001.
- Australian cauliflower farmers had enormous success in driving efficiency gains by raising the yield of the crop by 34% from 18.8 tonne/hectare in 2003 to 25.2 tonne/hectare in 2006. The trend was broken in 2007, but there was some recovery in 2008 and 2009.

Value and Pricing

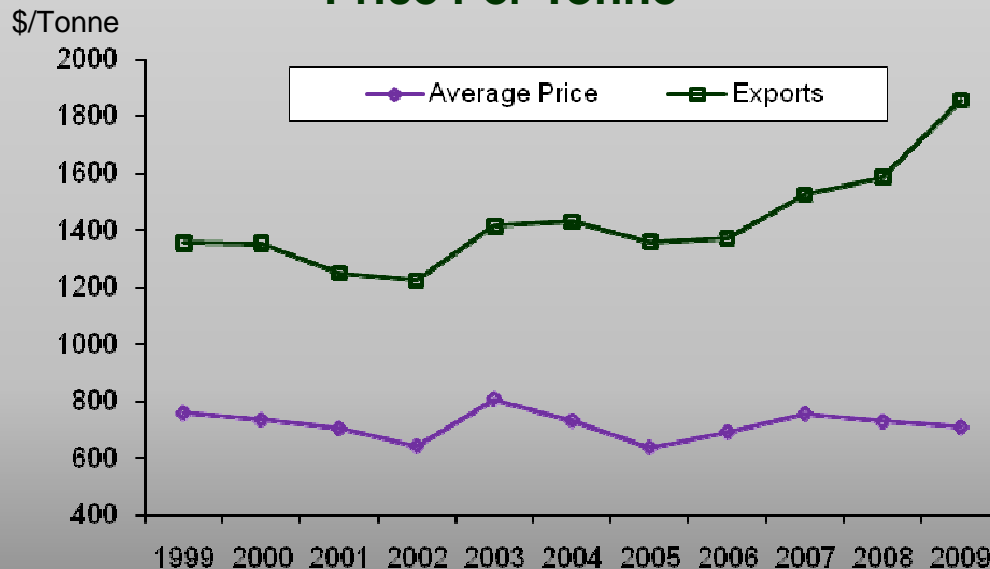
Value of Production



Domestic Value of Production

- The gross value of cauliflowers grown in Australia in 2009 was \$49.8 million, an increase of 6.4% on the previous 12 months.
- The increase reflected higher tonnages rather than higher prices.
- The national gross unit value (average price per tonne) fell by 3.6% in 2008 and 2.7% in 2009, partly reversing the 9.1% increase in 2007.

Price Per Tonne

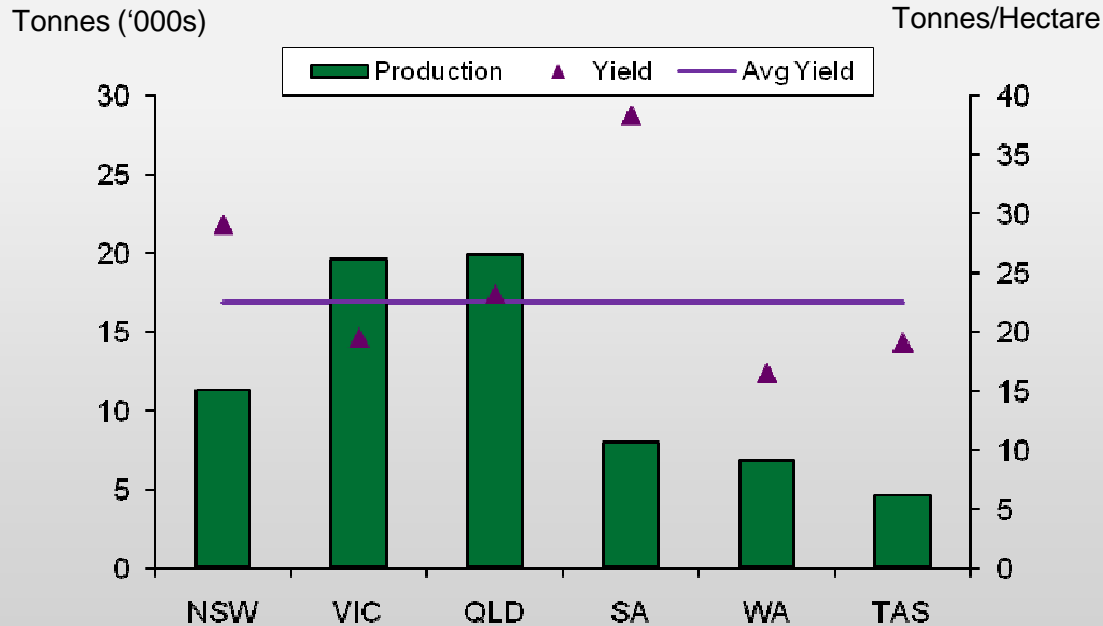


Cauliflower Pricing

- Average domestic prices based on production levels declined in 2008 and 2009.
- In contrast export prices rose strongly in 2009, extending the upward trend evident since 2005 to reach new highs.
- In recent years, Australia has imported cauliflowers in very small quantities. Prices have been excluded from the chart as they may not provide an accurate indication of actual levels.

State production and national consumption

Production v Yield



State Cauliflower Production

- Cauliflower production is concentrated in Victoria and Queensland, with each state producing 28% of the national total in 2009. New South Wales accounted for 16% of the total in 2009.
- There are significant year-to-year fluctuations in production in individual states. In 2009, production in South Australia and Queensland rose by 33% and 31% respectively, but there was a decline of 21% in Tasmania.
- Yields in South Australia were significantly above the national average in 2009, a similar story to 2008. Yield gains were significant in New South Wales but yields fell sharply in Western Australia.

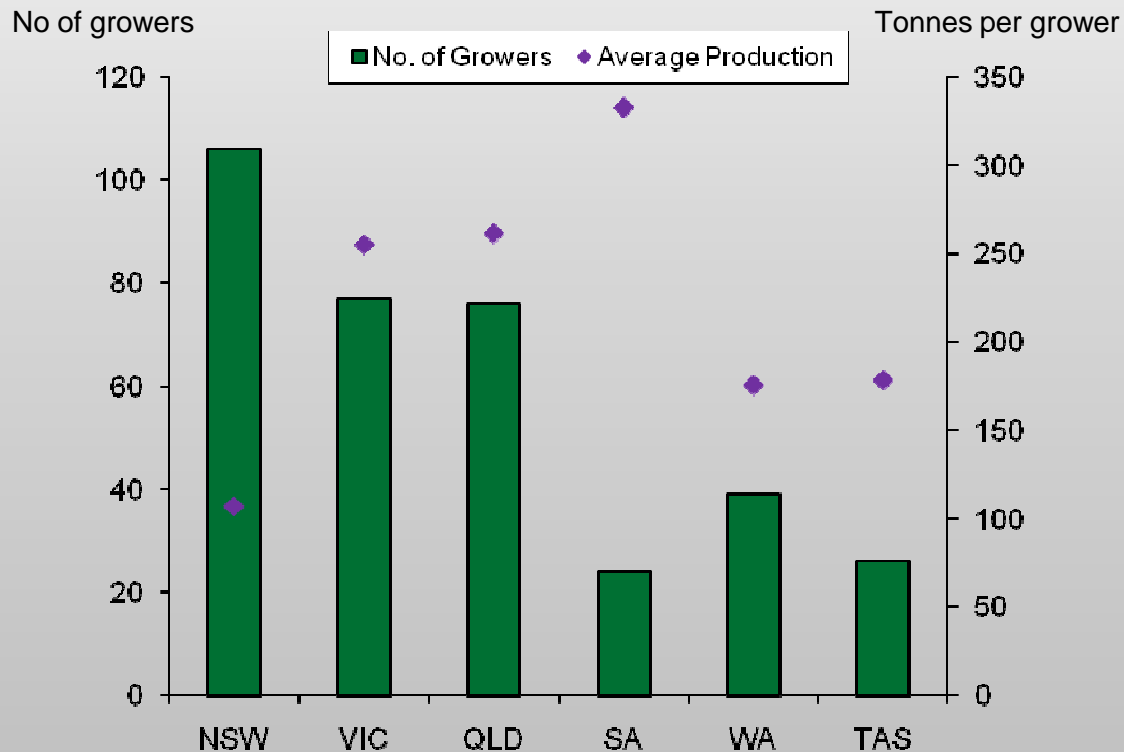
Cauliflower Consumption

- Data on consumption is fragmented. Retailers collect data on sales and consumer purchases are monitored in a number of surveys.
- Using official production and population data and ignoring home grown production and wastage estimates can be made of per capita consumption.
- These suggest that per capita consumption averaged 3.2 kg over the last three years slightly higher than a decade ago.
- Comparisons with estimates of per capita consumption of some other major vegetables are presented in the table to the left.

Vegetable	Average for 3 years ending 1999(kg)	Average for 3 years ending 2009(kg)
Cauliflower	2.7	3.2
Carrots	11.1	9.8
Potatoes	70.5	61.6
Tomatoes	22.0	20.9

Grower numbers and production

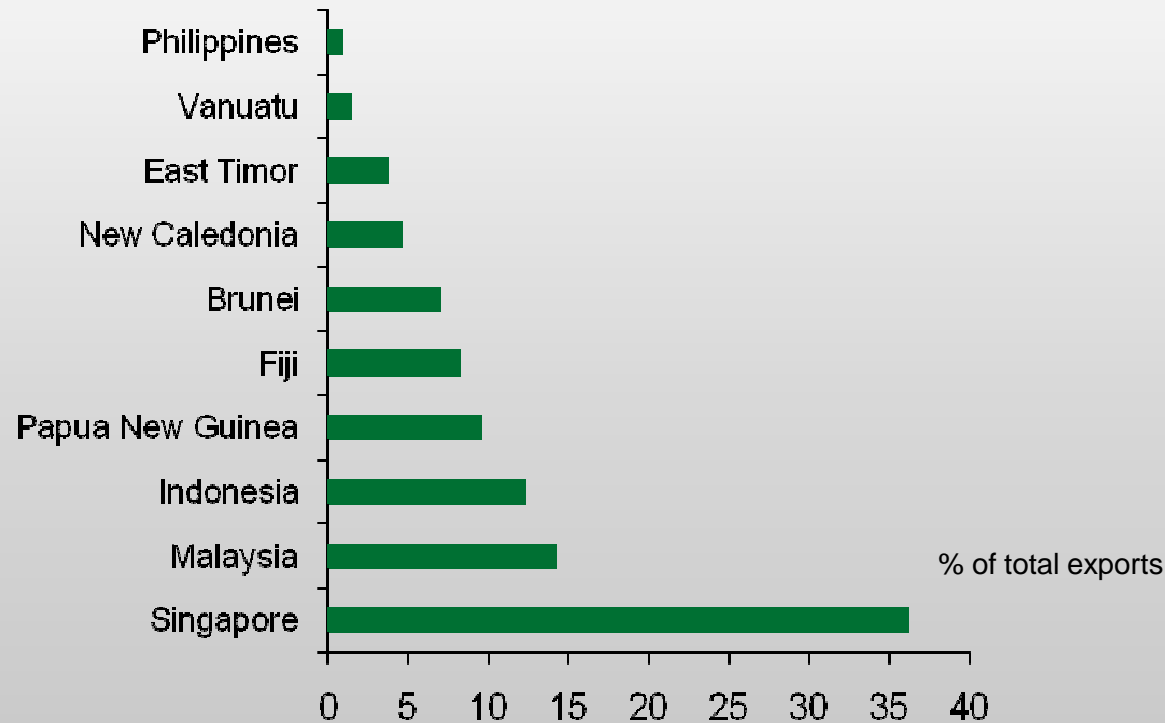
Cauliflower Growers by State



- The total number of cauliflower growers in Australia fell slightly from 357 in 2008 to 348 in 2009.
- There were declines in the number of growers in Victoria and Tasmania and small rises in the other States except New South Wales where the number of growers was unchanged.
- New South Wales had the biggest number of growers, with its share of the national total rising slightly to 30% in 2009. Victoria's share declined from 25% in 2008 to 22% in 2009, while Queensland's share rose from 19% to 22%.
- Average production per grower was highest in South Australia with an average of 332 tonnes per grower, well above the national average of 202 tonnes. Queensland and Victoria were also above the national average. Cauliflower growers scale of operations in New South Wales are smaller than in the other States. In 2009 growers in that State averaged 107 tonnes per grower.

Export Markets in 2009

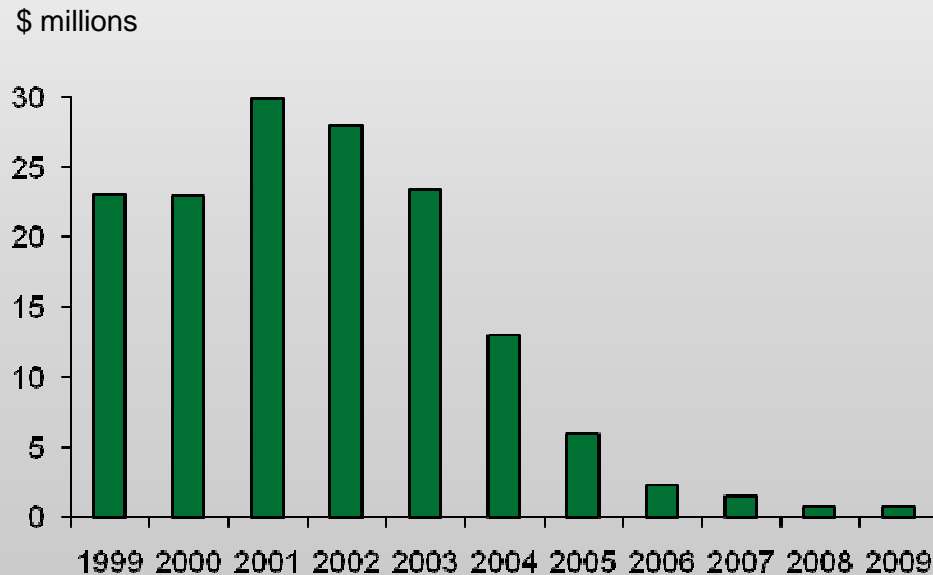
Destination of Australian Cauliflower Exports



- Exports are exclusively fresh with the main markets in South East Asia and the Pacific.
- South East Asia accounted for over 70% of the severely diminished total in 2008/09 and countries in the Pacific region for more than 27%.
- Singapore has been the most important country since 2004/05 when it took the leading position from Malaysia. Singapore and Malaysia have remained the most important markets since then, but exports to both countries fell sharply between 2004/05 and 2007/08.
- Exports to Singapore rose slightly in 2008/09, but exports to Malaysia continued to decline.

Exports and Imports

Value of Cauliflower Exports



- The value of cauliflower exports has collapsed in recent years due to the loss of price competitiveness with China due to higher labour costs for harvesting.
 - Exports declined from \$28 million in 2001/02 to less than \$0.7 million in 2008/09.
 - The small remaining market is for higher priced product.
 - Imports of cauliflowers are negligible.
-

Market

Market Segments

- The cauliflower market consists largely of the fresh market segment with some processing (largely for frozen use) taking place in Australia.
- White or cream coloured cauliflower is the most popular variety whereby the heads of the cauliflower are protected from sunlight.
- Other colours such as green, purple and orange are available in addition to baby cauliflower.

Market Access

- Domestic markets are free and there are no restrictions on cauliflower production.
 - Imports of fresh cauliflower are free to enter Australia whilst a 5% tariff applies on frozen cauliflower (4% for developing country status).
 - Access to foreign markets is reasonable with price competitiveness and freight costs being the major barrier to expanded exports.
 - Exports to Singapore and Malaysia do not incur a tariff.
 - Significant tariffs in place in the region are in Taiwan (27%), the Philippines (25% dropping to 20% in 2020), South Korea (20%) and Vietnam (15% phased to zero by 2017).
-

For further details on these statistics please contact AUSVEG on (03) 9882 0277.



The data and information in this document has been put together by Industry Data Economic Analysis. Industry Data Economic Analysis is contracted by Horticulture Australia Limited to provide economic services to the vegetable industry including collation and analysis of data provided by other sources. Information is to be communicated to the industry through a number of channels, the AUSVEG website being one. Industry Data Economic Analysis, its principal, contractors and employees, does not guarantee the accuracy or completeness of any data or information contained in the document and does not accept legal liability for its contents or any loss or damage which may result. Professional advice is recommended for all strategic and financial decisions. This document does not represent professional advice.
