

# Opportunities in Horticulture

## Overview

Horticulture encompasses a broad range of fruit and vegetables including viticulture (see separate sheet) and floriculture. The global outlook for Western Australia's horticulture products is excellent. The industry has developed a strong export trade with South East Asia and marketing opportunities are expanding in Asia and the Northern Hemisphere.

Neighbouring Asian markets can be supplied competitively and all year around as a consequence of a broad climatic range. The rapid population growth estimated for South East Asia should maintain this demand.

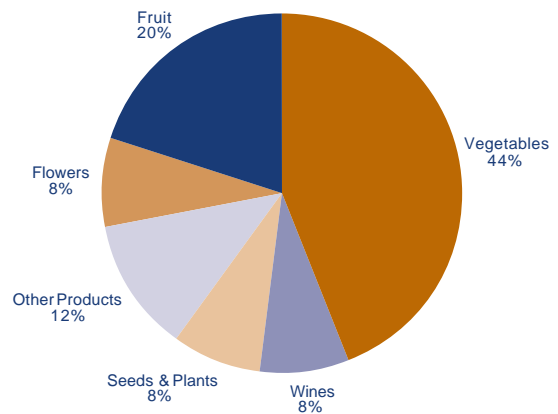
New trends in demand for convenience food will provide increased demand for pre-packed vegetables and salad, pillow packs and speciality vegetables and fruit. The demand for fresh cut product is increasing worldwide.

The State produces a wide variety of fruits and vegetables, which vary in accordance with the diverse climatic regions. The most significant vegetable crops, in terms of value, are potatoes, carrots, cauliflowers and onions which are grown in the southern half of the State. In particular, the **South West** region accounts for 87 percent of potato production, 71 per cent of cauliflower production, 59 percent of carrot production and contributes significantly to a wide range of other vegetable crops.

Fruit production, although covering a wide and diverse range, is dominated (in value) by the production of apples and pears, which are grown in the southern half of the State. The **South West** region produces 78 per cent of the State's apples, 77 per cent of the State's pears and 50 per cent of the State's stonefruit.

The value of horticulture production in 1998/99 exceeded \$A400 million. Horticultural exports were valued at over \$A150 million.

**Fig.1 WA Horticulture Exports 1998/99**



Source: Agriculture Western Australia

Western Australia is Australia's largest exporter of fresh vegetables and native flowers, sending a range of products to over 20 countries. Vegetables and flowers account for over 50 per cent of horticulture exports.

However, plums, Cripp's Pink apples (sold under the name Pink Lady), redglobe table grapes and wine are becoming increasingly important.

## Investment Opportunities for Temperate Cultivation

Horticulture is divided by climatic conditions. The temperate climatic zone dominates the southern part of Western Australia and includes parts of the **Mid West, Wheatbelt, Goldfields-Esperance, South West and Great Southern** regions.

Temperate cultivation of fruit and vegetables is dominated by the production of carrots and cauliflowers, which offer investment opportunities particularly in the southern half of the State.

The export apple industry has considerable potential for the future. Pink Lady™ and Cripp's Red Apples (sold as Sundowner apples) are being grown in the south of the State from the Perth Hills down to Manjimup and Donnybrook in the **South West**.

The value of the exports of Pink Lady™ and Sundowner™ apples has doubled to \$A7 million in the 12 months to June 1998 due to the continuing high demand in Northern Europe. Increasing exports of Royal Gala and Granny Smith apples to South East Asia are also contributing to rising exports. Total apple exports are expected to double again in the next ten years.

Regionally, there is immense potential in horticulture (in particular vegetable production) in the Shire of Gingin (**Wheatbelt** region), north of Perth. The **Wheatbelt** is already the State's main producer of oranges. With an abundance of water and appropriate soils this area is attracting horticulturalists from the Metropolitan area and as a consequence horticultural precincts have been established.

New horticultural investment is also being drawn to areas in the **Mid West**, including the Murchison, Northampton, Chapman Valley, Walkaway and Irwin River districts.

A Feasibility Study, completed during 1999, identified a potential 1,000-hectare horticulture precinct in the area-surrounding Walkaway (near Geraldton), where a substantial table grape operation has already been established. The Mid West's climate and soils are well suited to horticulture production, and significant water resources are readily available. In addition to meeting growing export needs for 'clean and green' products, a natural 'window' exists for horticultural commodities to be sold into local markets between Carnarvon to the north and areas surrounding Perth to the south.

The **Great Southern** region also has many opportunities to expand its existing horticultural industry.

Cut flowers are increasing in importance. More than 450ha of wildflowers and 150ha of South African proteas are intensively cultivated from Geraldton to Esperance. Protea plantings are centred around Perth and Busselton (**South West** region).

Western Australia is also a leading national exporter of dried and preserved flowers. The product range includes flowers and foliage that have been processed in some way, either air-dried, bleached, dyed, preserved or freeze dried.

Tropical Horticulture refers to the cultivation of fruits and vegetables in the north of Western Australia, mainly in the **Kimberley and Gascoyne** regions. The difference in types of crops and methods of production provide unique investment opportunities.

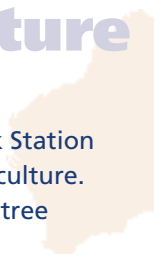
### Investment Prospects for Kimberley Horticulture

The Ord River Irrigation Scheme, based on Lake Argyle, has the capacity to irrigate in excess of 50,000 hectares. Stage 1 involved the irrigation of 11,200 hectares in the Shire of Wyndham-East Kimberley. A smaller project has also been developed in the Shire of Broome based on ground water extraction.

#### Horticulture Production Ord River Stage 1 – 1999/2000

Crops	Value (\$AMillion)	Hectares
Bananas	5.2	104
Rockmelons	11.5	646
Honeydew melons	5.4	311
Watermelons	6.7	445
Jarrahdale pumpkin	1.8	186
Butternut pumpkin	3.3	279
Jap pumpkins	1.7	197
Mangoes	2.9	N/A
Papaya	0.6	11
Other (includes citrus)	1.8	162

Source: Department of Agriculture Western Australia

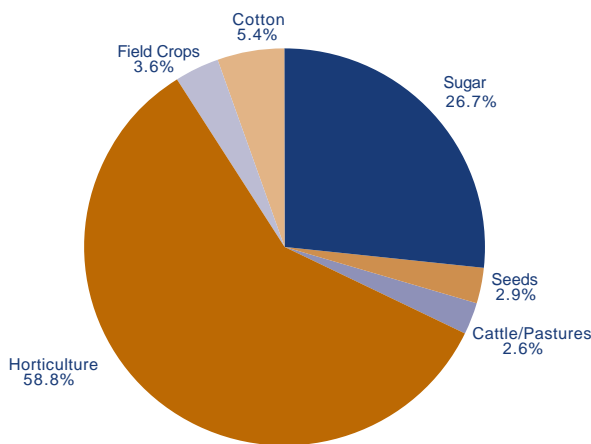


Production from the Ord River Irrigation Area is dominated by horticulture, which was valued at \$A40.9 million in 1999/2000.

The Ord has an abundance of cucurbit (melon/pumpkin type – see table above) crops, which supply Australia in the winter months. Mangoes, papaya and citrus are small in area and quantity, but increasing with great potential for export.

The second stage of expansion (Ord River Stage 2) is expected to commence in 2002 (subject to feasibility studies being successful), with approximately 40,000 hectares of irrigable land available.

**Fig. 2 Ord River Irrigation Scheme**



Source: Department of Agriculture Western Australia

New crop opportunities such as cotton are likely to play an important role in the future of the Ord. In 1999 approximately \$A3 million worth of cotton was produced from 957 hectares. If the crop trials prove positive, the area under cultivation is expected to increase in the future.

There may be potential to expand the area cropped to sugar, in the future, under the Ord River Stage 2 and there may be opportunities for processing by-products from sugar milling.

A joint venture has been established between Department of Agriculture Western Australia, the Centre for New Industries and a major international chocolate manufacturer, to examine the feasibility of cocoa.

In addition, pharmaceutical crops are being trialed, as are timber crops to be used for cabinet making.

In the Shire of Broome, parts of Waterbank Station have the potential to be irrigated for horticulture. The area has a climate suitable for tropical tree crops.

**Investment Prospects for Gascoyne Horticulture**

The climatic conditions make Carnarvon suitable for growing a range of tropical and sub-tropical fruits and vegetables. The major crops are bananas, tomatoes, capsicum and mangoes. The most recent trend has been to diversify to tree and vine crops such as low-chill stone fruits (peaches, nectarines and plums), red grapefruit and table grapes. These crops take advantage of the sub-tropical climate conditions and can supply Perth with product earlier than the traditional production areas, extending their availability. Mangoes and table grapes are being produced more for export to South East Asia and the Middle East.

There have been a number of horticultural enterprises developed on pastoral leases and these are producing melons, table grapes, citrus and asparagus. There is increasing interest in expanding business activities in these areas to include ecotourism and wildflower production.

**Horticulture in the Gascoyne 1999**

Crop	Production (Tonnes)	Value (\$A million)
Bananas	8,278	9.3
Tomatoes	13,863	7.9
Capsicums	2,108	2.9
Table Grapes	1,038	6.0
Mango	1,166	3.1
Grapefruit	1,606	9.8
Beans	369	1.3
Cucumber	1,278	1.4
Rockmelon	797	7.2
Sweet Corn	596	9.7

Source: Department of Agriculture Western Australia

The horticultural industry in the **Gascoyne** region was valued at \$A40 million in 1999 with bananas and vegetables accounting for 70% of gross value of production. Of the 1,030 hectares of cropped land, 320 hectares are planted to bananas, 590 hectares to vegetables and 120 hectares to fruit trees (see table above). The bulk of the produce

from Carnarvon is mainly marketed in Perth. However sales of produce to the Eastern States and overseas markets are increasing.

Improved marketing techniques, identification of new opportunities, niche products, value adding and the continuous supply of quality produce are key drivers.

The major future prospects include:

- The expansion of table grape production.
- The expansion of mango production to meet export demand.
- Development of the red grapefruit, capsicum and salad vegetables for export.

- There is also the potential to develop another horticulture area at Rocky Pool, 50 kilometres east of Carnarvon. The project has been allocated 1,200 hectares for the development of export-oriented plantation crops.

**For further information contact:**

Horticulture Program  
 Department of Agriculture Western Australia  
 Locked Bag No4  
 Bentley Delivery Centre  
 Western Australia 6983  
 Telephone: +618 9368 3333  
 Facsimile: +618 9368 1205  
 Email: [enquiries@agric.wa.gov.au](mailto:enquiries@agric.wa.gov.au)  
 Internet: <http://www.agric.wa.gov.au>

**FOR MORE INFORMATION ON  
 INDIVIDUAL REGIONAL  
 INVESTMENT OPPORTUNITIES  
 CONTACT:**

**GASCOYNE DEVELOPMENT COMMISSION**

Stuart House, 15 Stuart Street (PO Box 781)  
 CARNARVON WA 6701  
 Phone +618 9941 1803  
 Fax: +618 9941 2576  
 Email: [info@gdc.wa.gov.au](mailto:info@gdc.wa.gov.au)  
 Internet: <http://www.gdc.wa.gov.au>

**GOLDFIELDS-ESPERANCE  
 DEVELOPMENT COMMISSION**

Ground Floor, Viskovich House  
 377 Hannan Street (PO Box 751)  
 KALGOORLIE WA 6430  
 Phone +618 9091 1166  
 Fax +618 9021 7941  
 Email: [gedckal@gedc.wa.gov.au](mailto:gedckal@gedc.wa.gov.au)  
 Internet: <http://www.gedc.wa.gov.au>

**GREAT SOUTHERN DEVELOPMENT COMMISSION**

110 Serpentine Road  
 ALBANY WA 6330  
 Phone +618 9842 4888  
 Fax +618 9842 4828  
 Email: [gfdc@gfdc.wa.gov.au](mailto:gfdc@gfdc.wa.gov.au)  
 Internet: <http://www.gfdc.wa.gov.au>

**KIMBERLEY DEVELOPMENT COMMISSION**

Papua Street (PO Box 620)  
 KUNUNURRA WA 6743  
 Phone +618 9168 1044  
 Fax +618 9168 1473  
 Email: [kdc@kdc.wa.gov.au](mailto:kdc@kdc.wa.gov.au)  
 Internet: <http://www.kimberley.wa.gov.au>

**MIDWEST DEVELOPMENT COMMISSION**

SGIO Building  
 45 Cathedral Avenue (PO Box 238)  
 GERALDTON WA 6531  
 Phone +618 9921 0702  
 Fax +618 9921 0707  
 Email: [info@mwdc.wa.gov.au](mailto:info@mwdc.wa.gov.au)  
 Internet: <http://www.mwdc.wa.gov.au>

**PEEL DEVELOPMENT COMMISSION**

45 Mandurah Terrace (PO Box 543)  
 MANDURAH WA 6210  
 Phone +618 9535 0000  
 Fax +618 9535 2119  
 Email: [pdc@peel.wa.gov.au](mailto:pdc@peel.wa.gov.au)  
 Internet: <http://www.peel.wa.gov.au>

**PILBARA DEVELOPMENT COMMISSION**

Shop 2, 6 Wedge Street (PO Box 544)  
 PORT HEDLAND WA 6721  
 Phone +618 9173 8400  
 Fax +618 9173 1881  
 Email: [pdc@pdc.wa.gov.au](mailto:pdc@pdc.wa.gov.au)  
 Internet: <http://www.pdc.wa.gov.au>

**SOUTH WEST DEVELOPMENT COMMISSION**

9th Flr, Bunbury Tower  
 61 Victoria Street (PO Box 2000)  
 BUNBURY WA 6230  
 Phone +618 9792 2000  
 Fax +618 9791 3223  
 Email: [swdc@gateway.net.au](mailto:swdc@gateway.net.au)  
 Internet: <http://www.swdc.wa.gov.au>

**WHEATBELT DEVELOPMENT COMMISSION**

14 Wellington Street (PO Box 250)  
 NORTHAM WA 6401  
 Phone +618 9622 7222  
 Fax +618 9622 7406  
 Email: [wdc@wdc.wa.gov.au](mailto:wdc@wdc.wa.gov.au)  
 Internet: <http://www.wheatbelt.wa.gov.au>



Department of  
 Local Government and Regional Development

For general queries: Department of Local Government and Regional Development  
 Telephone: +618 9327 5666, Fax: +618 9327 5921, Email: [info@dlgrd.wa.gov.au](mailto:info@dlgrd.wa.gov.au)

**Disclaimer**

This document has been prepared in good faith by the Department of Local Government and Regional Development and the Regional Development Commissions predominantly from information and data gathered in the course of their activities. No person or organisation should act on the basis of any matter contained in this document without considering and, if appropriate seeking professional advice. Neither the Department of Local Government and Regional Development or the Regional Development Commissions nor any of their employees undertakes responsibility to any person or organisation in respect to this document.