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## 4 May 2016

## The latest industry news at your fingertips

'Guacamole' is the Australian avocado industry's fortnightly newsletter delivering the latest news of relevance to the Australian avocado industry.

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## Strong turnout for Sunshine Coast Qualicado

The first of the 2016 Qualicado Growers Workshops was held last week at Joss and Neil Donovan's Bellthorpe farm with more than 40 people attended the event - a very strong turnout for this region.



The day featured interesting and informative sessions including an industry update, phytophthera, an update on how to use the Best Practice Resource, avocado nutrition, pollination, export development and organic inputs as well as a marketing update, and a discussion about what's happening in the South American industry, followed by a supply chain update and an orchard walk.



 $Sunshine\ Coast\ Qualicado\ speakers\ (from\ left\ t\ right)\ John\ Tyas,\ Jenny\ Margetts,\ Simon\ Newitt\ and\ Lisa\ Martin.$ 

Special thanks must go to Joss and Neil Donovan for hosting the event.

This coming Thursday's Qualicado event will be held at Mt Tamborine / Northern Rivers at Lindy and John Williams' Merrinee Farms in North Tamborine.

<u>Click here</u> for more details on the event and to RSVP. <u>Click here</u> to view the rest of the Qualicado dates for our growing regions.

## No budget relief on backpacker tax: Nationals MP confirms (By ABC Rural)

Higher backpacker taxes will remain unchanged in the federal budget, a National Party backbench MP has confirmed.

Andrew Broad, told ABC Local Radio in Mildura that farmers "won't see a thing" in Tuesday night's budget to resolve their concerns about higher backpacker taxes.

The member for Mallee, who's argued against the higher taxes, said budget night is unlikely to be the end of the matter.

"I'm fairly confident there will be an outcome that will be to the satisfaction of horticulture producers," he said.

It's unclear whether that will be enough to placate farmers, who've been lobbying the government to reverse its backpacker tax plans for months.

The Coalition revealed the plan in last year's budget, announcing it would scrap the tax free threshold for backpackers from 1 July 2016, and tax them at 32.5 per cent from their first dollar earned.

The agriculture sector, tourism operators, regional communities and backpackers themselves have all expressed concern that higher taxes will see working holiday makers choose countries like New Zealand or Canada for their travels.

Australian farmers rely significantly on backpacker labour to get their crops picked, packed and shipped off to domestic and international markets.

Across Australia, backpackers represent approximately 25 per cent of the agricultural workforce, according to the National Farmers' Federation.

In some areas, that's much higher; the NFF says backpackers represent approximately 85 per cent of farm labour in the Northern Territory, where the severe climate makes it even harder to attract workers.

## Backpacker tax will cripple agriculture workforce

If the Federal Government chooses to introduce a 32.5 per cent tax of on every dollar a holidaying backpacker earns, growers will not vote for them in this year's election.

Voice of Horticulture's Chair Tania Chapman said if the tax was introduced many growers couldn't harvest their crops because they would have no labour, meaning their product would be left to die along with the future of rural and regional communities.

"Our industry relies on holidaying backpackers who enjoy a working holiday in Australia where they assist with the harvest of a wide range of horticulture crops," she said.

Recent figures indicated about 20 per cent of all backpackers who are on a 417 and 462 Working Holiday Visa have also been in Australia on a second year Visa, meaning they have completed 88 days of specified work in rural Australia.

Ms Chapman said while the lure of an extended working holiday in Australia had been a boon for growers needing an influx of seasonal workers, the removal of the tax free threshold would inevitably impact on the supply of much needed labour.

"Backpackers contribute more than \$3.5 billion to the economy each year and around 40,000 find employment on Australian farms. We need more of them, not less," she said.

"How do we get a government so divided within itself - where one side has worked diligently to gain agriculture Free Trade Agreements in key exporting countries and yet the other side is working to cripple our agriculture industry?

"We eagerly await the results of the Government's interdepartmental review process which was overseen by Tourism Minister Richard Colbeck, Assistant Agriculture and Water Resources Minister, Anne Ruston and Keith Pitt, the Assistant Minister to senior minister Barnaby Joyce," she said.

"Voice of Horticulture understands lengthy discussions with industry groups in particular the rural sector occurred.

"We also are aware the Ministers have heard about the strong contribution backpackers make to Australia's rural workforce, and how they want to maintain that workforce's capacity."

Ms Chapman urged the Government to make a decision on this as soon as possible.

She also expressed concern about the Federal Treasurer, Scott Morrison's resistance to changing the 32.5 per cent tax on working holidaymakers.

"Voice of Horticulture has lobbied for a tax rate between 17-19 per cent to put us on the same page as Canada and New Zealand," Ms Chapman said.

"These two countries are the alternatives for our backpacker workforce and given that backpackers make on average \$15,000 during their stay in Australia, a tax rate of 32.5 per cent is a huge deterrent."

# Avocados Australia kicks off new export development project

Avocados Australia has commenced a new export development project funded through a grant from the Australian Government.

Avocados Australia's CEO John Tyas said one of the aims of this project is to develop and pilot a 'ripe and ready' program for Australian avocados in these markets.

John Tyas (AAL) and Noel Ainsworth (QDAF) recently travelled to Singapore and Malaysia to undertake a series of meetings and site inspections with retailers and supply chain stakeholdersa.

"The purpose of these meetings was to evaluate the willingness and capacity of potential supply chain partners for this project," Mr Tyas said.

"We made significant progress in Singapore but further work will be required in Malaysia to identify key supply chain partners.

"Later this year we will be providing training and developing relevant material to support the pilot program," he said.

## **Marketing Update**

From the Hort Innovation Team

#### Social media campaign for May

The next social media campaign will start on 5 May and will run for the month of May and will be playing with a Mexican theme.

The campaign will provide inspiring dishes and ideas for pairing Australian avocados with some key Mexican ingredients such as jalepenos, black beans and corn chips.

The campaign will include four recipe-specific GIFS (animated social media posts) with supporting recipes; four Instagram posts; content uploaded onto the website and a Mexicanthemed e-newsletter.

## Marketing workshop

As an outcome of the marketing workshop held last week, a 12-month marketing plan will be developed and further research will be undertaken to inform the three-year strategic marketing plan.

## Landline avocado feature - broadcast date change

ABC Landline was to broadcast a feature on Australia's avocado industry on Sunday 1 May, but this has been held over until midday Sunday 14 May.

The program will be covering an update on the country's industry, emerging markets, and innovation.

Avocados Australia's CEO John Tyas was interviewed along with a range of growers including John Walsh from Central Queensland and Paul Bidwell from Tasmania.



Above - Avocados Australia's CEO John Tyas with Landline Presenter Pip Courtney.

## Agriculture graduates wanted for new 12 month program

In 2017, the Department of Agriculture and Water Resources is offering a new 12 month graduate program that fast tracks understanding of the department, the Australian Public Service and the difference a public servant can make to the wider community.

Graduates are encouraged to apply now for placements in four professional streams: general; Information and Communications Technology; finance and accounting; and within the Australian Bureau of Agricultural and Resource Economics and Sciences' (ABARES).

Applications are open to university students who have completed their study or are due to complete by the end of 2016.

Highlights of the programme include:

- a five day industry visit, providing you with a rich on-the-job learning experience, and the opportunity to meet with stakeholders and complete a research project
- workplace rotations, allowing you to experience the diversity of work undertaken by the department
- a Diploma of Project Management
- an opportunity to compete for a four to six week work placement within one of the department's portfolio agencies or offices outside of Canberra
- a targeted suite of training to become an effective policy or programme officer
- a visit to the Minister's Office and opportunity to gain exposure to parliamentary proceedings
- an attractive remuneration package, including promotion on successful completion
- the opportunity to be part of an active network of graduates, access to a buddy and Senior Executive level Graduate Champion.

The department may also offer graduate positions in other agencies within the agriculture portfolio, including the Australian Fisheries Management Authority (AFMA).

Applications close on 3 May 2016. For more information visit: <a href="mailto:agriculture.gov.au/about/jobs/graduate/gdp">agriculture.gov.au/about/jobs/graduate/gdp</a>

## Infocado and retail prices update

Past Infocado Reports and Retail Prices data are available for access from the Avocados Australia website. You can regularly access this information by going to the Avocados Australia website's <a href="Infocado">Infocado</a> and <a href="Retail Pricing">Retail Pricing</a> pages.

## **Industry News**

#### **Australian News**

#### Woolies shames customer for fake avocado claim

Woolworths has exposed an allegedly dishonest customer on its Facebook page, prompting an expert to warn that some 'deviant' shoppers are 'jumping on the bandwagon' of online criticism of supermarkets. More

## Automation to reduce Australia's high ag labor costs

In 1997, the University of Sydney created the Australian Center for Field Robotics, which engages in the study of robotics for outdoor use. Australia has a vast amount of land available for large-scale agriculture, but labor costs in the country are high. The centre is currently tackling the issue of how automation can be used to cut these costs. More

### **International News**

#### Avocado prices plummet in Britain

Britain is in the grip of an avocado boom, experts say, as celebrity endorsement, growing awareness of its health benefits and its growing popularity in vegetarian recipes propels sales. More

## M&S launches ready-sliced fresh avocado pots

This latest move in produce's hottest category follows on from the retailer's 'baby' avocado launch earlier this year. Marks and Spencer has this week (w/c 25 April) become what is believed to be the first retailer to launch fresh, ready-sliced avocado. More

## China has potential to become huge avocado market

Mexico started sending avocados to Japan around 15 years ago, which has made it one of the most developed markets in Asia. However, with increased education and recent clearance to China, the established market in Japan has become a good template for the great potential of the up and coming Chinese market. More

## Avocados considered commodity for Sweden

Trends for healthy eating and influences from social media, along with a love for guacamole, is helping drive avocado consumption in Sweden. "There are two factors driving increased avocado consumption. The first is healthy eating trends on social media, in addition to articles. It has become a big influence and is inspiring people to eat more avocados. The second thing is that Mexican tacos are a very popular dish here and most people are making their own guacamole to go with them." More

#### Chile: Avocado fungal disease identified

For many years Chilean growers and exporters have been finding a strange fungus on their avocados from time to time, but choosing the correct treatment has proved difficult due to a lack of knowledge about the problem.

That is all about to change following a recent study from the country's Rosario Evaluation Center (CER) which identified the fungus as Colletotrichum spp, a problem that is also present in other major avocado-producing countries like Mexico and Peru. More

## California one step closer to exporting avocados to China

More than a decade after California's initial application to export avocados to China, the industry has finally seen a breakthrough.

California Avocado Commission (CAC) vice president of industry affairs Ken Melban toldwww.freshfruitportal.com yesterday a Chinese delegation would soon visit the state to develop an export protocol work plan with their U.S. counterparts. More

Can't wait for Guacamole? You can read all the latest <u>Avocado News</u> and industry-related <u>National & International News</u> on the Avocados Australia industry website.



This project has been funded by Horticulture Innovation Australia Limited using the avocado levy and funds from the Australian Government.

This email was sent by Avocados Australia, Level 1 / 8/63 Annerley Rd, Woolloongabba, Australia 4102 to co@avocado.org.au

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