Tomato processing in Australia

In 2005, Australia processed 317 000 metric tonnes of tomatoes, 1.06 % of the world production. Australia is ranked 12th among WPTC countries in terms of volume.

The industry is located in northern Victoria and southern New South Wales in the southeast corner of the country. In 2005, less than 32 specialised processing tomato growers provided 99 % of the crop from more than 4,000 hectares, yielding about 79 tonnes per hectare.

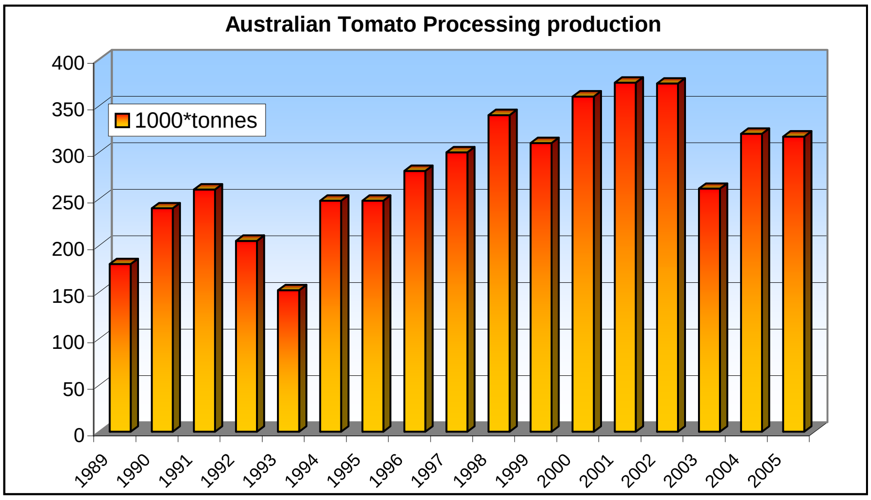
Three factories process the bulk of the production. Two of these factories focus on tomato paste and derivative products and one specialises in peeled tomato products.

Per-capita consumption of processed tomato in Australia is around 25 kg and the industry is mainly oriented to the domestic market. Australia is not self sufficient in tomato products and about 20 % of processed tomato requirements are imported.

The Australian industry is not subsidised by the government beyond the matching of industry research funds. The import tariff on most tomato products is 5 %, while sauces and ketchup enter duty free.

There is no government regulation of tomato prices, grade standards or production volumes. Growers are not permitted to collectively bargain for contract price. The various processors pay different prices for tomatoes, and specifications and contract conditions also vary. In 2005, ex-farm tomato price outcomes felled from the previous years average of A$ 100 to A$ 67 - A$ 87 (according to the intended product). Owing to exchange rate fluctuations, the value of A$100 has ranged between US$50 and US$80 over the past five years.

Most growers are members of the Australian Processing Tomato Growers (APTG). Processors and growers contribute funds to the Australian Processing Tomato Research Council (APTRC), which manages the industry research program and is a member of the WPTC. APTRC organises an industry conference each year to disseminate research findings and publishes "The Australian Processing Tomato Grower". Current research activity focuses on soluble solids improvement, sustainable farming and cultivar improvement.



Tomato varieties are mostly American hybrids. Traditionally the crop has been direct seeded but increasing use is now being made of transplants. About 50 % of the 2004 crop area was transplanted. Irrigation is approximately 45 % by furrow and 55 % by drip. Drip irrigation is associated with much higher yields but traditionally lower solids compared with furrow irrigation.

The industry is highly mechanised and 100 % of the crop is machine harvested. About 75 % of the crop is harvested into 12 tonnes tubs and the remainder into half tonne plastic bins. The average haulage distance is about 130 km, but is decreasing as reliance on more “weatherproof” tomato varieties has reduced the need for diverse cropping locations.

Each year the harvest commences at the end of January and is completed by the end of April. Compared with California, seasonal conditions are more variable, with a higher rain risk, lower mean temperatures, and heavier and less consistent soils. However, Australian growers are very skilled at dealing with these conditions.

About 65 % of the harvest is initially processed into bulk paste and packed aseptically into 1 100 litres (300 US gallon) bag-in-box systems or 200 litres (55 US gallon) bags in steel drums. Peeled tomatoes and derivative products take up 16 % of the crop.

While the industry is stagnating, the number of farms and factories is progressively decreasing. The average grower now produces around 10 000 tonnes annually. Average field yields have increased in recent years to around 80 tonnes per hectare while average tomato solids have fallen below 5 %.