



Land (NSW)
Thursday 22/10/2009
 Page: 33
 Section: General News
 Region: NSW, AU
 Circulation: 50326
 Type: Rural
 Size: 367.74 sq.cms.

World's nuts for our almonds

By KIM CHAPPELL

THE Australian almond industry is going from strength to strength with increased export opportunities and expanding production, despite its major player going into liquidation.

Almond Board of Australia chief executive officer, Julie Haslett, says the national almond crop has increased from 26,000 tonnes last year to 36,000 tonnes and production is set to peak at 80,000t in 2015 when the trees now in the ground reach full maturity.

At that point, Australia would be the second biggest almond producer in the world, she said.

Ms Haslett said the bullish outlook was despite Timbercorp, which owned 40 per cent of the trees in the ground, going into receivership.

Timbercorp's receiver, KordaMentha, has since sold off the almond plantations to Singapore company, Olam International, for \$128 million.

However, Ms Haslett said that was just two-thirds of the crop, and a further 4046.86 hectares (10,000 acres) was still going through the sale process with another liquidator.

"It has provided a more stable environment and confidence and a go forward position for the industry," Ms Haslett said.

She said it was believed the existing management was also still in place in the sold assets.

Throughout the sale process the Timbercorp orchards were still being watered and were in line for full production.

The growth in the industry was being fuelled by trees planted before 2007, although water problems and the global financial crisis had put the brakes on any new plantings.

Most almond crops were being grown in the Murray-Darling area.

Although tree planting had slowed in the past 18 months, production was strong because most almond farmers had invested in advanced water management schemes (90 per cent of the industry is under drip irrigation) in the past three years.

Yields had lifted as orchards matured and irrigation strategies improved.

"Almonds are a very high converter, converting water into a high-value crop, so often the crop operates at quite a high end of dollar return per megalitre," Ms Haslett said.

However, the main producer of almonds – California, with about 80 per cent of the global crop – also faced similar water limitations.

"There is a view that on a global per-

spective, planting growth will be curbed to the point where it's almost restricted," she said. "Demand, on the other hand, has been very strong."

Ms Haslett said after four years of record shipments demand was now expected to outstrip supply.

"It's an interesting quandary which will help correct some of the pricing issues which have been facing the industry," she said.

Prices had come off "extreme highs" to reach a "low point", and would "now start to return".

In the largest export destination for Australian nuts, India, sales had doubled last year, with the seasonal difference allowing local growers to service that nation's festival and wedding season as soon as the crop was harvested.

"Almonds hold a special place in culture in India. They are part of the gift giving tradition," Ms Haslett said.

Middle East and Chinese markets were also growing; demand in the former grew seven-fold last year.

Access to these markets had been helped because of Australia's increasing volumes, she said.

"We are becoming a reliable supplier to those markets, whereas we have probably had demand before we couldn't service."



Almond Board of Australia chief executive officer, Julie Haslett, says Australia is on track to be the second biggest almond producer in the world.