

Growing demand to boost organic farm sector in Australia

By Sara Rich

The Australian

January 14, 2010 2:35PM

ORGANIC farming is expected to be one of Australia's fastest growing industries this year as mounting consumer demand fuels production.

According to independent researcher IBISWorld, revenue from organic farming is set to increase by 14.8 per cent to \$430 million, placing it behind sugar manufacturing as the fastest growing industry.

The next five years should see it reach \$760m, with an average growth rate of 13.4 per cent expected for each year.

The researcher found that higher disposable incomes and the increasing awareness of environmentally sustainable practices were fuelling the growth spurt and encouraging supermarkets to expand their range of organic produce.

Dr Andrew Monk, director and standards convenor of Biological Farmers of Australia, which represents the organic food and farming industry, said growing demand would lead to significant job creation as well as have an impact beyond the farm gate.

IBISWorld found that as an employer, the industry was likely to strengthen from 6.2 per cent in 2012-13 to 11.2 per cent the year after.

"In the marketplace, supply chain capacity is increasing to cope with the expanded demand for and supply of organics," Dr Monk said.

"The growing number of larger retailers that are now seeking out and stocking increased ranges of organic produce should assist to grow consumer demand as organic becomes more available and consumers become better educated on the value of organics.

"In tandem with this has been the growth in popularity of organic farmers market stalls."

From: <http://www.theaustralian.com.au/business/industry-sectors/growing-demand-to-boost-organic-farm-sector-in-australia/story-e6frg95o-1225819242839>