



HD Hang on **China**, Queensland-grown food is coming

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Convincing the **Chinese** to eat Queensland meat, grain, vegetables and fruit, is the key to increasing agricultural profitability in the sunshine state.

At least that's the message delegates to the Queensland Agriculture Conference have heard in Brisbane.

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The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) commodity analyst Jammie Penm, says producers need to start now, if they want to crack the potential of the booming Asian middle class, particularly in **China**.

"Queensland is well placed to supply the market but we have to keep in mind there will be also competition. And lots of it.

"Not only from other agricultural exporters, but also from domestic production in those [Asian] countries," said Mr Penm.

The latest forecasts from ABARES show demand for beef in **China** will more than triple over the next 40 years, while sugar consumption is expected to quadruple and the need for oilseeds will increase 9-fold during the same time.

Mr Penm says Queensland producers need to maintain their 'clean' and 'high-quality' image to compete in what will be a highly lucrative market.

"We really need to build-in this changing food demand into our **business** planning, so we can take the opportunities presented in Asia."

The Queensland Agriculture Minister John McVeigh says that's why he's set the challenge to double the State's agricultural production by 2040.

In a report launched today, Queensland agriculture is valued at \$14.7 **billion** for the 2013-14 financial year, with meat production the largest contributor (38 per cent).

The industry overall is said to support one in seven Queenslanders with 28,000 farm **business** currently operating in the state.

Mr McVeigh says the State of Queensland Agriculture Report sets the benchmark for assessing future production growth.

"The big driver is obviously innovation and entrepreneurship within industry itself and we're certainly seeing that in beef, horticulture and sugar cane - it's quite an exciting time for Queensland agriculture."

Mr McVeigh points to the 'fascinating array of crops and products in horticulture' as a particular example.

"Whether it's tropical fruits and tree crops, or the vegetables that we're familiar with in the Bundaberg and Lockyer Valley regions, that sector is going to grow."

However, Mr McVeigh admits there are a number of challenges confronting Queensland primary producers.

Increasing production costs are tightening the squeeze - evidenced best by the **dairy** sector where more than 40 farming families have **sold** up so far in 2014.

Climate variability is also testing the skills, and emotional resilience, of many farmers with the drought estimated to have cost the \$200 **million** in lost production over the past six months alone.

CO aubare : Australian Bureau of Agricultural and Resource Economics and Sciences

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