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Media release

Cautious optimism about banana supplies and prices

Latest reports from Australia's principal banana-growing areas of Innisfail and Tully in Far North Queensland confirm initial assessments that the flow of bananas onto the market will increase steadily from late September, and as a result trigger a progressive fall in prices.

Chief Executive of the Australian Banana Promotions Company, Craig Allen said today, "There are no guarantees when it comes to horticulture, but at this stage, banana growers are reporting promising fruit growth as a result of the current good growing conditions.

"Being in constant contact with banana growers, we are able to keep consumers informed about the timing of banana supplies returning to normal after the industry was all but wiped out by Cyclone Larry last March. Updates on banana production will be provided regularly from now.

"When it comes to prices, demand and supply factors will determine when prices fall and by how much. Having recently seen larger volumes of bananas trickle into the markets since the record low levels of production of a month ago, prices have responded with a slight decrease," he said.

Before Cyclone Larry the industry was supplying around 400,000 cartons of bananas a week, with each carton weighing 13 kilograms. Production bottomed in July with only 40,000 cartons reaching national markets, but by last week the number of bananas being supplied had increased marginally.

With assistance from the Queensland Department of Primary Industries and Fisheries, growers are estimating impending banana volumes and harvest dates, and this audit will form the basis for communicating supply information to consumers.

Allen said, "Bananas coming onto the market over the next few months will come from two sources, initially, from banana plants damaged but not destroyed by the cyclone. These 'regrowth' plants will supply fruit from now until November; however crop yields from them are expected to be below average.

"Next there will be fruit from new banana plants that were cultivated after the cyclone. These plants will produce fruit from November onwards. To try to ensure a steady production of bananas, growers have been carefully timing their crops to provide consumers with a reliable flow of bananas from farm to store.

"As production increases to more normal levels over the next three months, all being equal, the retail prices should ease as demand and supply levels come more into line," he said.

Enquiries:

Craig Allen

Tel (03) 9372 3035, Mobile 0412 735 443